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Office of Information

Selected Speeches and News Releases

February 7 - February 14, 1986

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News Releases

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USDA'S STATISTICAL REPORTING SERVICE REDUCES ESTIMATING PROGRAM

WASHINGTON, Feb. 7—The U.S. Department of Agriculture's Statistical Reporting Service plans to modify its crop, dairy, poultry and prices-paid estimating programs for budgetary reasons. SRS administrator William E. Kibler said the agency will direct remaining resources toward maintaining high-quality statistics in the more than 300 reports it publishes annually.

Kibler added that if private commodity organizations and state agencies provide funds, SRS will work with these groups to collect, summarize, and publish data series currently intended for curtailment.

SRS and its Crop Reporting Board will discontinue the following statistical activities related to crops:

Barley and oats—Quarterly on- and off-farm stocks estimates, and production forecasts in July and September. The August production forecast will be continued.

Sorghum and sunflower—Quarterly on- and off-farm stocks estimates. SRS will continue publishing end-of-marketing-year stocks estimates for barley and oats in the June Grain Stocks report, and for sorghum and sunflower in the September release.

Rye—All estimates of stocks and forecasts production.

Flaxseed—All production forecasts. Acreage estimates and end-of-year, yield, and production estimates will be continued for both rye and flaxseed.

Wheat—Winter wheat production forecast in September, and spring wheat production forecast in October.

Forage—End-of-year forage estimates for corn and sorghum.

Sweet potatoes—Production forecasts and disposition estimates.

Fertilizer—Production statistics.

Hops—All production and stock estimates, including the stocks report scheduled for March 20.

SRS plans to change the frequency or coverage of the following programs:

The pasture and range condition table and map and the crop prospects map will be deleted from the April Crop Production report. The table will be updated for May through November, in the Crop Production reports. The crop prospects map will be replaced by two maps covering short and long term crop moisture conditions prepared by the Joint Agricultural Weather facility of USDA's World Agricultural Outlook Board and the National Oceanic and Atmospheric Administration.

Monthly milk estimates will be reduced from 33 states and the United States to 21 states covering 85 percent of U.S. production beginning with the May 14 Milk Production release. Reports in January, April, July, and October will continue to include quarterly estimates for 50 states.

Monthly estimates of layers and eggs will be reduced from 33 states and the United States to 20 states representing about 84 percent of U.S. production starting with the April 23 release for March output. Reports in March, June, September, and December will continue to include quarterly egg production estimates for the 50 states and U.S.

Weekly estimates of broiler eggs set and chicks placed will be reduced from 19 to 12 states covering about 92 percent of U.S. production. The change will start with data collected for the week ending March 8 and be published March 12. Estimates of broiler chicks hatched in the United States will continue to be issued in the monthly Eggs, Chickens, and Turkeys report.

Prices paid by farmers for feeds and fuels published in the monthly "Agricultural Prices" report will be developed quarterly rather than monthly and on regional and U.S. levels instead of by states beginning in April. Fertilizer price estimates will be cut from quarterly to April and October and only on regional and U.S. levels. Data at the U.S. level only will be published quarterly for replacement livestock; in April, July, and October for building materials; in April and October for farm machinery, farm supplies, and motor supplies; and in April for autos and trucks, and seeds. Indexes of prices paid will be computed quarterly and carried forward during months when no additional data are collected.

SRS will discontinue reporting annual telephone and electric service costs.

Surveys of on- and off-farm grain stocks scheduled for January, April, June, and October will be changed to December, March, June, and September to coincide with the newly legislated marketing year for corn, which begins on Sept. 1 rather than Oct. 1. The first new report will be issued Sept. 29. The grain stocks survey conducted as of Dec. 1 will include hay and rice.

Estimates of on-farm stocks of wheat, corn, and soybeans will be continued for those states producing 75-85 percent of the U.S. total. Stocks in the remaining states will be combined in an "other states" category.

An historical 10-year data series of U.S. grain stocks totals will be published in each of the new reports to assist data users in updating data bases to the new schedule.

In 1987, the prospective plantings survey will be conducted as of March 1, instead of Feb. 1, and issued in late March.

Comments from data users regarding the proposed changes should be addressed to Richard Allen, Director, Estimates Division, Room 5847-S, Statistical Reporting Service, USDA, Washington, D.C. 20250

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USDA OFFICIAL CALLS FOR GREATER BIOSECURITY IN POULTRY INDUSTRY

WASHINGTON, Feb. 10—With recent outbreaks of avian influenza reported in Pennsylvania, Massachusetts, New Jersey and New York, a U.S. Department of Agriculture official today called for stepped-up biosecurity measures by the poultry industry.

"I cannot emphasize too strongly how important it is for producers, truckers and others in the poultry industry to take extra precautions to prevent the spread of this disease," said Bert W. Hawkins, administrator of USDA's Animal and Plant Health Inspection Service. Precautions include cleaning disinfecting all items coming onto a premises containing poultry, and controlling the movement of people who come onto a poultry farm.

"We learned much more about this disease during the 1983-84 outbreak in Pennsylvania," Hawkins said. "We learned that avian influenza is spread chiefly by man—by the movement of people, equipment and vehicles contaminated with the virus."

So far this year, 13 poultry flocks totaling approximately 300,000 birds have been destroyed in Pennsylvania, Massachusetts, New Jersey, and New York to prevent the spread of avian influenza.

"Producers need to realize that they hold the key to preventing this disease from spreading—by practicing strict biosecurity, being alert to disease symptoms and reporting any unusual sickness or death of poultry to their state veterinarian," Hawkins said.

The following biosecurity guidelines can help stop the spread of avian influenza:

1. Don't visit other poultry farms, and don't allow visitors on your farm—even friends and relatives.
2. Don't allow anyone into your poultry house or egg room unless they wear sanitized coveralls and boots. Change your clothing when you leave the poultry house.
3. Do not loan equipment to or borrow equipment from any other farm.
4. Restrict movement of all vehicles entering and leaving your farm. Clean and disinfect the tires, undercarriage and floor of all service vehicles.
5. Bring onto your farm only those articles that can be cleaned and disinfected. Leave on farm articles that cannot be disinfected and cleaned.
6. Always take a shower and wash hair when arriving home from a poultry farm.
7. Scrub and disinfect shoes or boots before leaving your poultry farm.
8. Notify your state veterinarian immediately if there is a sickness or rise in mortality in your poultry flock.
9. Practice all-in and all-out management of slaughter poultry; avoid leaving poultry on the farm exposed to catch crews, crates and vehicles.

Avian influenza is an acute infectious, contagious viral disease of poultry. It does not affect humans.

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MATURING 1985-CROP LOANS MAY ENTER FARMER-OWNED RESERVE

WASHINGTON, Feb. 10—Producers who have maturing 1985-crop wheat and feed grain Commodity Credit Corporation loans may place the loans into the farmer-owned reserve program, Secretary of Agriculture John R. Block announced today.

Provisions for 1985-crop grain placed in the reserve include:

— Farmer-owned reserve loans for a 3-year period.

— Reserve contract number 6 will be in effect for wheat and number 5 for feed grains (barley, corn, oats and sorghum).

— Annual storage payments (prepaid) will remain at 26.5 cents per bushel for all commodities except oats for which the rate is 20 cents per bushel.

— Interest charged by the Commodity Credit Corporation on commodity loans will be applied to the loans during the first year of the farmer-owned reserve contracts.

Interest charges will be waived for the second and third years of the farmer-owned reserve contract. Interest will be charged whenever market prices are above the release "trigger" price.

— The per-bushel release "trigger" prices will remain unchanged at $4.45 for wheat, $3.25 for corn, $1.65 for oats, $2.65 for barley and $3.10 for sorghum ($5.54 per hundredweight).

Secretary Block said that maturing 1985-crop wheat and feed grain loans are being allowed entry into the farmer-owned reserve since current reserve quantities are not in excess of the statutory 700 million bushel minimum for wheat and 1 billion bushels for feed grains. The minimum and maximum reserve levels provided by the Food Security Act of 1985 will not become effective until 1986 grain crops are eligible to enter the reserve.

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BLOCK ANNOUNCES KEY STAFF CHANGES AT USDA

WASHINGTON, Feb. 11—Secretary of Agriculture John Block today anounced his intention to appoint James B. Boillot as deputy assistant secretary for governmental and public affairs and Raymond D. Lett as director of intergovernmental affairs for the U.S. Department of Agriculture.

The two appointments are expected to become effective Feb. 18.

Boillot has served as USDA's director of intergovernmental affairs since July 1985. In his new position, Boillot replaces former Deputy Assistant Secretary John E. Ford, who has resigned effective Feb. 15.

Ford also served as USDA's director of congressional affairs. Block said an acting director of congressional affairs will be appointed at a later date.

Lett served as Block's executive assistant and special assistant from January 1981 until August 1985 when he was appointed USDA's assistant secretary for marketing and inspection services.

#

ALGERIA TARGETED FOR EXPORT ENHANCEMENT PROGRAM

WASHINGTON, Feb. 11—Secretary of Agriculture John R. Block today announced that a semolina offer to Algeria will be the sixteenth initiative under the U.S. Department of Agriculture's Export Enhancement Program. Semolina is a product milled from durum wheat and used for pasta. As with previous announcements under this program, sales will be made at competitive world prices.

Block said this program will give U.S. exporters the opportunity to sell up to 250,000 metric tons of semolina. The sales will be subsidized with wheat from the Commodity Credit Corporation's inventory. The subsidy will enable U.S. exporters to compete at commercial prices in the Algerian market in response to future tenders for semolina.

For further information call William Randolph, (202) 382-9254, or Larry T. McElvain, (202) 447-6225.

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BLOCK NAMES ALAN T. TRACY TO ACT IN TOP USDA POST

WASHINGTON, Feb. 12—Secretary of Agriculture John R. Block has named Alan T. Tracy as acting assistant secretary for marketing and inspection services, effective Feb. 18.

Tracy has been deputy assistant secretary for marketing and inspection services since February 1985. Earlier, he served as associate administrator and general sales manager for USDA's Foreign Agricultural Service, and then as deputy under secretary for international affairs and commodity programs.

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USDA ANNOUNCES SPENDING REDUCTIONS UNDER GRAMM-RUDMAN-HOLLINGS ACT

WASHINGTON, Feb. 12—Secretary of Agriculture John Block today said the U.S. Department of Agriculture soon will begin spending reductions in its commodity programs to comply with President Reagan's Feb. 1 sequester order issued under the Balanced Budget and Emergency Deficit Control Act of 1985 (the Gramm-Rudman-Hollings Act).

Block said the order calls for a USDA spending reduction of $1.3 billion for fiscal 1986, equal to a 4.3 percent reduction in those USDA outlays subject to provisions of the Act. The reductions, scheduled to begin March 1, will be allocated equally on a pro-rated basis among these programs.

USDA programs exempted from spending reductions include the Food Stamp, the Child Nutrition, and the Women, Infants and Children Special Supplemental Food Programs.

Block said $823 million in reductions will made in 1986 Commodity Credit Corporation programs. No reductions will be made in price support loans, purchase agreements and regular deficiency payments made for 1985 crops.

Target prices and loan and purchase rates will not change for 1986 crops, Block said. Also, payments made in-kind or by negotiable commodity certificates will not be subject to reduction. Reductions of 4.3 percent will apply, however, to checks paid to producers for commodity loans, deficiency and diversion payments for 1986 crops, and to payments for certificates that producers redeem for cash. Both advance and final payments will be subject to the reduction. The reductions will be made after the maximum payment limitation of $50,000 per producer has been applied.

Block said producers entering 1986-crop programs will be notified at the time of sign-up how programs will be affected by the deficit reduction legislation.

In regard to dairy program provisions, Block said the price support level of $11.60 per hundredweight will remain unchanged for the current fiscal year, but CCC purchase prices for cheese, butter, and nonfat dry milk will be discounted by 4.3 percent from March 1 through Sept. 30. Block has previously announced that payments made to producers based on bids received under the 18-month dairy termination program will not be reduced.

In regard to wool and mohair payments, Block said payments will not be subject to the 4.3 percent reduction. However, the support price for these commodities will not be increased. Payments under the National Wool Act due on or after April 1 will be based on the frozen support price for shorn wool.

In regard to provisions of the conservation reserve program, Block said the amount of acreage entering into the reserve and the level of annual rental payment based on bids received will not be reduced.

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USDA ANNOUNCES ADDITIONAL PROVISIONS OF 1986 COTTON PROGRAMS

WASHINGTON, Feb. 12—Secretary of Agriculture John R. Block today announced additional details of the 1986 upland and extra long staple (ELS) cotton programs that will permit cotton producers and the cotton industry to make plans for the upcoming crop.

Some cotton program provisions were announced earlier, including, for upland, a required 25 percent acreage reduction and, for ELS, a loan rate of 85.40 cents per pound and a target price of 102.48 cents per pound.

The announced program is designed to protect cotton farm income while ensuring that U.S. upland cotton will again be competitive in world cotton markets, Block said.

Additional upland cotton provisions announced today include:

— Signup will be held March 3 through April 11.

— The target price is 81 cents per pound, the same as for the 1985 crop.—Deficiency payments will be made on the acreage planted to upland cotton within the permitted acreage, except that producers who plant at least 50 percent of the permitted acreage to upland cotton and devote the remaining permitted acreage to conserving uses or to a nonprogram crop other than soybeans or ELS cotton will receive payment on 92 percent of the permitted acreage.

— An advance deficiency payment of 7.8 cents per pound (30 percent of the projected total deficiency payment rate of 26 cents per pound) will be paid in cash during signup to producers who request an advance payment. Producers who accept an advance deficiency payment but who later do not comply with program provisions must repay the advance plus interest.

— The proposed formula for determining the world price, adjusted to U.S. quality and location (adjusted world price), will be published in the Federal Register soon with public comment invited on the proposal.

— The loan rate cannot be announced until after the adjusted world price is determined and announced. It cannot, however, be less than 55 cents per pound for strict low middling (SLM) 1-1/6 inch cotton at average U.S. location.

— The loan repayment rate also cannot be determined and announced until the adjusted world price is determined and announced. However, if the adjusted world price is determined to be below the loan rate at the time of announcement of the loan rate, it is the intention of the USDA to implement Plan A under which the loan repayment rate cannot be less than 80 percent of the loan rate.

— If a loan repayment rate less than the loan rate is in effect, loan deficiency payments will be paid to eligible producers who agree to

forego loan eligibility at a rate equal to the difference between the loan rate and the loan repayment rate. Such payments will be made on a quantity of upland cotton equal to the quantity otherwise eligible for loan but not to exceed a quantity determined by multiplying the individual farm program acreage by the farm program payment yield. The loan deficiency payment is not subject to the $50,000 payment limitation. Fifty percent of the loan deficiency payment will be paid in cash and 50 percent will be paid in commodity certificates redeemable in cotton. producers who have upland cotton under loan on the day a loan deficiency payment is requested must make that loan collateral available to satisfy their commodity certificates.

The quantity of loan collateral that must be redeemed will be determined by Commodity Credit Corporation using the per-pound value as announced by CCC on the day the commodity certificate is issued. Producers who do not have any upland cotton under loan, or whose upland cotton under loan is insufficient to meet the value of the commodity certificate, will be issued commodity certificates in the remaining net monetary amount due them. Certificates may be sold to: another producer who may use the certificate to redeem his/her upland cotton loan; a commercial entity who may (a) contract with a producer to use the certificate to redeem upland cotton from loan or (b) use the certificate to purchase cotton from CCC inventory. Producers who are co-op members may designate an approved co-op to redeem their commodity certificates.

— A different commodity certificate will be issued to first handlers (persons regularly engaged in buying or selling upland cotton) who have entered into an agreement with CCC to participate in this program whenever, during the 1986 marketing year, the adjusted world price is below the loan repayment rate, and the secretary determines that upland cotton is not competitive in world markets. The payment rate will be equal to the difference between the loan repayment rate and the adjusted world price. During the period required, payment will be made on the total quantity of U.S. upland cotton purchased by first handlers during such period for either domestic consumption or export.

— Inventory protection payments will be made to anyone holding "free" stocks (stocks not under price support loan or owned by CCC) or raw upland cotton on Aug. 1, 1986. Such payments will be made in

the form of negotiable marketing certificates. Payments will be made as soon as possible after Aug. 1 on the total quantity of "free" stocks held at taking into account the 1985 loan rate plus accrued carrying charges and the adjusted world price in effect on Aug. 1, 1986.

— Commodity certificates issued to first handlers or to those holding "free" stocks on Aug. 1, 1986, will be negotiable and issued in the monetary amount due. The certificates will be redeemable only for upland cotton.

Additional details of the commodity certificate and inventory protection programs will be announced later.

— Bases and yields are being determined in accordance with the provisions of the Food Security Act of 1985. Producers who believe that the bases and yields for their farms are incorrectly established may file an appeal with their local county ASC committees through the end of the signup period.

— The discretionary inventory reduction program (1/2 ARP) will not be implemented.

Additional ELS cotton program provisions announced today include:

— Signup will be held March 3 through April 11.

— An acreage reduction requirement of 10 percent of the ELS cotton crop acreage base.

— No advance deficiency payments will be made.

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USDA ANNOUNCES 1986-CROP RICE LOAN DIFFERENTIAL, CLASS LOAN RATES

WASHINGTON, Feb. 12—Secretary of Agriculture John R. Block today announced the milled rice loan rate differential and the class loan rates for 1986-crop rice.

The differential between whole kernel milled rice loan rates is set at $2.00 per hundredweight.

Whole kernel milled rice loan rates are $12.44 per hundredweight for long grain and $10.44 per hundredweight for medium and short grain.

The broken kernel rate for all rice classes is $4.98 per hundredweight.

The national average rough rice loan rate for 1986-crop rice was previously announced as $7.20 per hundredweight.

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USDA ANNOUNCES SUPPORT LEVELS, CCC SALES POLICY FOR 1986-CROP PEANUTS

WASHINGTON, Feb. 14—Peanut farmers will receive a national average support level of $607.47 per short ton for 1986-crop quota peanuts, up $48.47 per ton from the 1985 level of $559 per ton, Secretary of Agriculture John R. Block announced today. For 1986-crop additional peanuts, farmers will receive $149.75 per ton, up $1.75 per ton from the $148-per-ton level for 1985, Block said.

Block also announced that the sales policy for the 1986-1990 crops of peanuts owned or controlled by the Commodity Credit Corporation will remain unchanged except for certain additional peanuts. The minimum sales price for additional peanuts sold for export edible use will be no less than the lower of (1) $400 per ton or (2) 102 percent of the average price for additional peanuts delivered under contract. For the 1985 crop, the minimum sales price is $425 per ton.

The law sets the national support price for 1986 quota peanuts the same as the 1985 quota support level, adjusted by the percentage increase in the Index of Prices Paid by Producers for Commodities and Services, interest, taxes, and wage rates for calendar years 1981 through 1985.

Block said the 1985 prices paid index increased 8.67 percent from 1981, so a $48.47 per-ton increase is necessary.

Additional peanuts are those grown in addition to a farm's poundage quota or those grown on a farm without a poundage quota.

USDA sets the price support level on additional peanuts to ensure no loss to the CCC from sale or disposal of these peanuts. In determining the support, USDA takes into account factors such as the demand for peanut oil and peanut meal, foreign demand for U.S. peanuts and expected prices for other vegetable oils and protein meals.

Quota and additional peanuts placed under loan may be sold by CCC for domestic edible use, including use for seed, at not less than 105 percent of the quota loan rate, plus costs, if sold on or before Dec. 31, 1986, or 107 percent of the quota loan value, plus costs, if sold after that date.

The exception to this policy is that sales of additional loan peanuts for domestic edible use—if sold and paid for during the harvest season at the time of delivery by and with the consent of the producer—will be made at no less than 100 percent of the quota loan value, plus costs, Block said.

Quota peanuts will be sold by CCC for export edible use at no less than the quota support price, plus costs. Additional peanuts will be sold by CCC for export edible use at no less than the lower of (1) $400 per ton, or (2) 102 percent of the average price for "Segregation 1" additional peanuts delivered under contract for such marketing year, as determined by CCC. Segregation 1 is a standard farmers stock category of edible peanuts.

Quota and additional peanuts will be sold by CCC for export crushing at no less than the respective support levels, plus costs, and for domestic crushing at competitive prices. The use of the oil produced from these peanuts is unrestricted except for export to countries where the U.S. has suspended trade.

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USDA SOLICITS SEPARATE PROPOSALS FOR PORK, BEEF RESEARCH AND PROMOTION ORDERS

WASHINGTON, Feb. 18—The U.S. Department of Agriculture is soliciting proposals for the establishment of separate promotion and research orders for beef and pork.

Paul Fuller, an official with USDA's Agricultural Marketing Service, said the creation of the orders is authorized by the Pork Promotion, Research and Consumer Information Act of 1985 and the Beef Promotion and Research Act of 1985, both of which were enacted by Congress as part of the 1985 Farm Bill. The purpose of the orders is to increase consumer awareness of beef and pork and strengthen the position of each commodity in the consumer marketplace.

Most of the funds for the beef order will come from a mandatory $1-per-head assessment on all domestically marketed cattle. Most of the funds for the pork order will come from a mandatory assessment of up to 1/4 of 1% percent of the market value at the time of sale on all

domestically-marketed hogs. Additional funding will be derived from assessments on imported cattle, swine, beef and pork.

The beef and pork promotion orders will be administered respectively by the Cattlemen's Beef Promotion and Research Board and the Pork Producers Delegate Body. Both of these boards are authorized under the acts and will include producers, importers and other industry officials appointed by the secretary of agriculture.

Invitations to submit proposals for the orders were published Feb. 14 in separate notes in the Federal Register. Proposals may be submitted by March 1, in duplicate, to the Marketing Programs and Procurement Branch, Livestock and Seed Division, Agricultural Marketing Service, USDA, Room 2610-S, Washington, D.C., 20250.

Proposals consistent with the respective pork and beef promotion, research and consumer information acts will be published in the Federal Register for public comment. Further information on the promotion orders may be obtained from Ralph L. Tapp, Chief, Marketing Programs and Procurement Branch, Agriculture Marketing Service, (202) 447-2650.

#

USDA PROPOSES REQUIREMENTS FOR IMPORTATION OF PROSCIUTTO HAM

WASHINGTON, Feb. 18—The U.S. Department of Agriculture is proposing to establish requirements for the importation of prosciutto ham, a USDA official said today.

"Under current regulations, uncooked hams such as prosciutto are not allowed to be imported into the United States because of the danger of introducing foot-and-mouth disease, African swine fever, hog cholera, and swine vesicular disease," said Bert W. Hawkins, administrator of USDA's Animal and Plant Health Inspection Service.

Hawkins said the Consorzio del Proscuitto di Parma, an association of Italian producers of Parma ham, has developed strict processing procedures for ensuring that its prosciutto is disease-free. Swine are bred and raised especially for these hams. The meat is first treated with

a low-salt solution, then aged for more than a year before it is ready for market as prosciutto.

"At the request of the Consorzio, the USDA tested these procedures at its Foreign Animal Disease Diagnostic Laboratory," said Hawkins. "The results showed that the processing procedures used by the Italians were adequate to ensure that the prosciutto is free of exotic viruses of concern to us."

The USDA proposal would establish safeguards to ensure that the hams would come only from swine that are free of the specified diseases, and that the identity of the hams would be maintained from the time of slaughter through processing and importation.

The proposal also includes provisions to ensure that the hams would be processed only in establishments capable of meeting the proposed requirements and where the operators had agreed to comply with them.

This proposal appears in today's Federal Register. Written comments on the proposal may be sent until April 21 to Thomas O. Gessel, Regulatory Coordination Staff, Animal and Plant Health Inspection Service, USDA, Room 728, Federal Building, 6505 Belcrest Road, Hyattsville, Md. 20782.

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USDA REVISES COTTON ASSESSMENT REGULATIONS

WASHINGTON, Feb. 18—The U.S. Department of Agriculture is revising its regulations for collecting assessments levied on cotton producers under the Cotton Research and Promotion Act, a USDA official announced today.

Jesse F. Moore, a marketing official with USDA's Agricultural Marketing Service, said the revisions make new enforcement measures available to the Cotton Board if collecting handlers fail to transmit assessments.

The Cotton Board, appointed by the Secretary of Agriculture, is responsible for the collection and safeguarding of assessment funds and administers their use for cotton research and promotion.

Assessments are collected on a per-bale basis by the first handlers of cotton, who are required to transfer funds they collect to the Cotton Board within a prescribed time frame.

Should handlers fail to punctually transfer the funds, the revised regulations provide for establishment of escrow accounts for the deposit of assessments collected, interest charges on past due accounts, and late payment charges on seriously delinquent accounts.

"These enforcement measures will have no effect on the vast majority of collecting handlers who promptly transfer assessments to the Cotton Board," Moore said.

The new procedures also require collecting handlers to submit a "no cotton purchased" report for those reporting periods when no cotton requiring assessments was handled.

The rule will be published in the Feb. 20 Federal Register, and will become effective March 21. Copies may be obtained from Naomi Hacker, Cotton Division, AMS, USDA, Washington, D.C. 20250; phone (202) 447-2259.

#

CCC WILL NOT REQUIRE LOWER MOISTURE LEVEL FOR GRAIN, SOYBEAN LOANS

WASHINGTON, Feb. 18—The U.S. Department of Agriculture's Commodity Credit Corporation will not lower the maximum acceptable moisture level for warehouse-stored corn, sorghum or soybean price support loans, according to Milton Hertz, Acting CCC Executive Vice President.

Hertz said CCC published a proposed rule in the Federal Register Nov. 21 proposing to lower the maximum acceptable moisture level for corn from 15.5 percent to 14 percent and the maximum acceptable level for sorghum and soybeans from 14 percent to 13 percent. Most of the 128 public comments received opposed the change, Hertz said.

The determination to not adopt the proposed rule will be published in the Federal Register, Hertz said.

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PROPOSAL TO INTERCHANGE MANAGEMENT OF FEDERAL LANDS TRANSMITTED TO CONGRESS

WASHINGTON, Feb. 19—The U.S. Departments of Agriculture and Interior today transmitted to Congress a proposal to interchange about 25 million surface acres of land between USDA'S Forest Service and USDI'S Bureau of Land Management. The proposal would also transfer minerals management authority to USDA for areas under Forest Service jurisdiction.

Secretary of the Interior Don Hodel and acting Secretary of Agriculture John R. Norton said the proposed "Federal Lands Administration Act of 1986"—when implemented—will enhance service to the public, provide more efficient administration of natural resources, and save money for the government.

These benefits can be achieved, the secretaries said, by consolidation of offices in 35 towns and eventual reduction of over 350 jobs which, along with other efficiencies, will produce annual savings of $13-$15 million. Personnel reductions will be achieved through attrition, and layoffs are not anticipated. Public service will also be improved, Hodel and Norton said, because users of these lands who currently need to obtain grazing, right-of-way, and recreation permits or mineral authorizations from two agencies will have to deal with only one federal office.

The interchange concept has been studied since 1980 and was announced as a proposal by the two agencies on Jan. 30, 1985. The proposal called for consolidating in one agency management for blocks of interspersed land now administered by the two organizations.

An intensive public participation effort was conducted, with more than 600 briefings and consultations with state governors, key public groups and congressional delegations, along with 85 public meetings during the initial stage of concept development.

The proposal was further refined and released for formal public comment on June 7, 1985. This revised proposal called for an interchange of about 35 million acres of land between the two agencies and transfer of some minerals management responsibilities to the Forest Service.

Thirty formal public hearings were scheduled throughout the nation to allow the public to testify on the proposal. About 2,350 comments were received, including comments from more than 500 persons who testified at the formal hearings.

Forest Service Chief R. Max Peterson said the proposal transmitted today is responsive to that public comment. "We have worked very hard over the past several months to respond to public concerns," he said. "As a result, we believe we have a sound proposal which reflects those concerns while still meeting the objectives of increased efficiency and cost savings."

Changes were made in the proposal as a result of public comment, and a decision was made to prepare a Legislative Environmental Impact Statement. This document is prepared as an advisory to Congress regarding the impact and ramifications of the proposal. The statement will be transmitted to Congress within 30 days.

BLM Director Robert F. Burford said there has been excellent cooperation between the BLM and FS in developing the interchange proposal. "The great effort made by employees from both agencies has paid off in a proposal which, if implemented, will benefit the American public by substantially improving management and use of both the national forests and BLM lands," he said.

Among the key points of the proposal are:

— Management of 14.8 million acres of land would tranfer from BLM to FS; 9.4 million acres would transfer from FS to BLM;

— Management of 204 million acres of federal mineral subsurface estate would transfer from BLM to FS;

— Each agency would adopt all recommendations for roadless and wilderness areas on lands transferred from the other;

— The interchange would have minimal impact on receipt sharing with states and local communities;

— Every town where office consolidations occur will retain an office and,

— Personnel reductions will be achieved through attrition; layoffs are not anticipated.

Copies of a national summary and individual state summaries with details on the interchange and the legislative proposal are available from Forest Service and Bureau of Land Management offices.

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USDA TO HOLD HEARINGS IN MARCH ON AMENDING FEDERAL MILK ORDERS

WASHINGTON, Feb. 20—The U.S. Department of Agriculture has scheduled two public hearings in March to consider proposals that would amend the location adjustment provisions in 13 federal milk marketing orders.

Edward T. Coughlin, dairy official with USDA's Agricultural Marketing Service, said proposals by cooperative associations and dairy processors would modify the plant location adjustments under the orders to conform with Class I price differentials mandated by the Food Security Act of 1985.

The first hearing will be held Tuesday, March 4, beginning at 9:30 a.m. at the Holiday Inn, Dallas-Fort Worth Airport South, 4440 West Airport Freeway, Irving, Texas.

The Dallas hearing will consider amending the Texas, Southwest Plains, Central Arkansas, Memphis, Fort Smith, Rio Grande Valley, and Greater Kansas City milk marketing orders.

The second hearing will be held Wednesday, March 12, beginning at 9:30 a.m. at the Holiday Inn Airport, 2501 South High School Road, Indianapolis, Ind.

The Indianapolis hearing will consider amending the Chicago Regional, Southern Illinois, Ohio Valley, Eastern Ohio-Western Pennsylvania, Indiana, and Central Illinois milk marketing orders.

Coughlin said the Dallas and Indianapolis hearings are the second and third in a series of four hearings USDA is holding across the country to consider changes in the location adjustment provisions for those orders for which Class I differentials were modified under the Farm Bill. The first hearing, previously announced, will be held Feb. 25 in Atlanta. Details of the fourth hearing will be announced at a later date.

Notice of the Dallas and Indianapolis hearings will be published in separate notices in the Feb. 21 Federal Register. Copies also may be obtained from the Hearing Clerk, Room 1079-S, AMS, USDA, Washington, D.C. 20250, or from any of the market administrators of the affected orders.

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TRANSPORTATION CONFERENCE SET FOR MID MAY IN ST. LOUIS

WASHINGTON, Feb. 21—The U.S. Department of Agriculture will hold an agricultural transportation conference in St. Louis, MO, May 13-15, said a USDA official.

Martin F. Fitzpatrick, administrator of USDA's Office of Transportation, said the conference will focus on expanding world markets for U.S. agricultural products by promoting a better and more equitable domestic transportation system.

Conference workshops will include updates on the effects of rail and truck deregulation, highway costs, U.S. waterway issues, options to deal with the growing crisis of America's rural roads and bridges, and export perspectives for 1986 and beyond.

"While deregulation has benefited many U.S. farmers, shippers and exporters, it continues to present some tough issues, for both domestic and international agricultural interests," said Fitzpatrick.

"Any successes achieved for the domestic side that help improve the efficiency of the U.S transportation system can help us sell more products to world markets." he said.

The conference contact is Ronald P. Vail, Office of Transportation, Room 1405, Auditor's Bldg., Washington, D.C. 20250. Tel: (202) 447-6793.

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USDA PROPOSES GUIDELINES FOR NOMINATION AND ELECTION OF PORK PROMOTION BOARD

WASHINGTON, Feb. 21—The U.S. Department of Agriculture has issued a proposed rule establishing procedures for nomination and election of individual pork producers and the nomination of importers for appointment to an industry-wide board to administer the pork promotion and research order.

Paul Fuller, a marketing official with USDA's Agricultural Marketing Service, said the Pork Promotion, Research, and Consumer Information Act of 1985 authorized the establishment of a research, promotion and consumer information program to strengthen the position of pork in the marketplace. The program will be funded by a mandatory assessment of up to 1/4 of 1 percent of the market value at the time of sale on all hogs sold in the United States, including an equivalent amount on imported hogs and pork.

"The National Pork Producers Delegate Body, consisting of approximately 165 pork producers including some importers, will be responsible for administering all aspects of the order," said Fuller. "The secretary of agriculture will appoint delegate members from pork producers selected in statewide elections, while importers will be nominated by eligible importer organizations for appointment by the secretary."

Under procedures outlined in the proposed rule, state pork producer associations and individual pork producers may nominate candidates for statewide election. The names of candidates in each state receiving the highest number of votes will be submitted for consideration as appointees to the National Pork Producers Delegate Body.

Notice of the proposed rule on nomination and election procedures was published today in the Federal Register. Comments may be submitted by March 10, in duplicate, to the Marketing Programs and Procurement Branch, Livestock and Seed Division, AMS, USDA, Room 2610-S, Washington, D.C. 20250.

Further information on the pork promotion order may be obtained from Ralph L. Tapp, Chief, Marketing Programs and Procurement Branch, AMS, USDA, (202) 447-2650.

#

USDA PROPOSES GUIDELINES FOR NOMINATION TO BEEF PROMOTION BOARD

WASHINGTON, Feb. 21—The U.S. Department of Agriculture has issued a proposed rule establishing procedures and criteria for certification of qualified organizations to submit nominations of cattle

producers and importers to an industry-wide board to administer the beef promotion and research order.

Paul Fuller, a marketing official with USDA's Agricultural Marketing Service, said the Beef Promotion and Research Act of 1985 authorized the establishment of a research, promotion and consumer education program to strengthen the position of beef in the marketplace. The program will be funded by a mandatory $1 per head assessment on all cattle marketed in the United States, including an equivalent amount on imported cattle and beef.

"The Cattlemen's Beef Promotion and Research Board will consist of approximately 112 cattle producers and importers nominated by industry for appointment by the secretary of agriculture," said Fuller. "The board will be responsible for administering all aspects of the order."

Under procedures outlined in the proposed rule, state cattle producer associations, state farm organizations, and importer organizations would apply to USDA for certification to nominate members for appointment to the board.

Cattle producers, beef industry officials and other interested persons have until March 10 to submit comments.

Notice of the proposed rule was published today in the Federal Register. Comments may be submitted in duplicate to the Marketing Programs and Procurement Branch, Livestock and Seed Division, AMS, USDA, Room 2610-S, Washington, D.C. 20250.

For further information contact Ralph L. Tapp, Chief, Marketing Programs and Procurement Branch, AMS, USDA, (202) 447-2650.

#

USDA WILL HELP AG LENDERS MAKE LOW INTEREST LOANS TO FAMILY FARMERS

WASHINGTON, Feb. 24—The U.S. Department of Agriculture will join with commercial banks and other agriculture lenders in a three-year interest "buy-down" of its guaranteed farmer program loans, Acting Secretary Frank W. Naylor, Jr., announced today.

Designed to help farmers having trouble repaying their loans or obtaining new ones, the $490 million program will enable lenders to make or refinance loans to eligible farmers at interest rates reduced by up to 4 percentage points, with the lender absorbing one-half the loss of revenue from the reduced rates.

The Farmers Home Administration would pay the lender the remaining half of the interest "buy-down." The end result will be that the borrower gets a break on interest; the lender gives up points of interest; and the government makes a direct contribution of up to 2 interest points.

"This could mean the difference between success and failure to many hard-pressed family farmers," said Naylor. "They just can't afford a loan at today's interest rates. And many agriculture lenders can't cut interest rates enough to make the loan affordable, because their loss of interest income would be too great. But, with this interest rate "buy-down" program, FmHA will pick up half the lender's loss.

"I urge all agriculture lenders to participate. This program should strengthen their agriculture loan portfolios and give a much-needed boost to our farm economy," Naylor said.

"Combined with our guaranteed loans, the interest rate "buy-down" program is another indication of the Federal government's determination to work with the financial community in the private sector to help America's family farmers, and offer yet another opportunity for farmers to continue operations in 1986."

A borrower may qualify for the program by being unable to get a loan elsewhere at reasonable rates and terms; must be unable to make loan payments unless the interest rate is reduced; and must show enough projected income to make the reduced-rate loan payments.

Lenders wanting additional information should contact the Farmers Home Administration office in their local area for details. Regulations for the administration of this program will be published in the Federal Register this week.

#

USDA PERMITS DELAY IN FILING EXPORT CERTIFICATES

WASHINGTON, Feb. 27—The U.S. Department of Agriculture is revising its procedures for processing export certificates for meat to ensure timely departures of vessels carrying exported meat products, a U.S. Department of Agriculture official said today.

"Currently, before meat products are allowed to be exported from the country, an export certificate certifying that the products are sound and wholesome must be issued by a USDA inspector and filed with the U.S. Customs Service," said Donald Houston, administrator of USDA's Food Safety and Inspection Service.

Houston said several recent shipments of meat products have been delayed because the export certificates were not filed with the Customs Service by the time the vessel carrying the products was due to leave port.

"Delays in transferring the certificate to the Customs Service frequently occur because some foreign countries require a veterinarian as well as the inspector to sign the certificate," Houston said. "Sometimes the veterinarian is on an assignment at another location and cannot sign the certificate in a timely fashion."

The proposed rule would allow the vessel to depart if the shipper, shipper's agent or the vessel's agent provided a signed statement to the Customs Service briefly describing the exported product within four business days after the vessel's departure. The timeframe is consistent with current regulations of the Customs Service that allow export declarations to be filed up to four days after a vessel leaves port.

The statement would be required to include the export certificate number, which also is stamped on the container holding the certified product.

Notice of this action was published Feb. 26 in the Federal Register. Comments on the proposal may be submitted to: Regulations Office, Food Safety and Inspection Service, USDA, Room 3803 South, Washington, D.C. 20250. The comment period closes April 28.

#

MEATS AND ALTERNATES—USDA HELPS FIND THE BEST BUYS

WASHINGTON, Feb. 27—Ground beef, beef liver, turkey, chicken, ground chuck and pork shoulder were found to be the best meat buys in a recent study by the U.S. Department of Agriculture.

The economy of a cut depends on the amount of cooked lean meat or the number of servings it provides, as well as its price per pound, according to Suzanne Harris, deputy assistant secretary for food and consumer services. "Relatively high-priced meat cuts with little or no waste may be more economical than low-priced cuts with a great deal of bone, gristle or fat," she said.

Costs in this study, which included meat alternates as well as selected types and cuts of meat, poultry and fish, were estimated using nationwide prices collected in December 1985 by the Bureau of Labor Statistics of the U.S. Department of Labor and the National Marine Fisheries Service of the U.S. Department of Commerce.

The study also compared the costs of 20 grams of protein—about one-third of the recommended allowance for a man—from selected meats and alternates. Some meat alternates—such as peanut butter and eggs—are as good or better buys than less expensive cuts of meat. However, some processed meat products, such as frankfurters and bologna, were found to cost more as sources of protein than pork roasts and some beef roasts.

Harris said that while a 3-ounce serving of cooked lean meat, poultry, or fish provides 20 grams of protein or more, the amount of some alternates and meat products required to provide 20 grams of protein is well over the amount people normally eat in a day. For example, it takes four and one-half tablespoons of peanut butter, four frankfurters, or 10 slices of bacon to provide 20 grams of protein.

Harris said consumers can use the following tables to obtain comparable costs for meats and alternates in their supermarkets by multiplying the part of the market unit figure by the local price per unit.

Estimated cost of meats and alternates

Cost of 3 ounces of cooked lean from specified meat, poultry, and fish, using nationwide prices collected in December 1985:

Food	Retail price per pound*	Part of pound for 3 ounces of cooked lean	Cost of 3 ounces of cooked lean
Beef liver	$1.04	0.27	$0.28
Ground beef, regular	1.28	.29	.37
Turkey, ready-to-cook	1.03	.41	.42
Chicken, whole, ready-to-cook	.78	.55	.43
Ground chuck	1.68	.28	.47
Pork shoulder, smoked, bone in	1.07	.46	.49
Ham, half, smoked, bone in	1.36	.38	.52
Ocean perch, fillet, frozen	2.30	.23	.53
Ham, canned	2.49	.25	.62
Pork loin roast, bone in	1.65	.41	.68
Chicken breasts, bone in	1.74	.40	.70
Haddock, fillet, frozen	3.11	.23	.72
Chuck roast of beef, bone in	1.63	.44	.72
Round roast of beef, bone out	2.56	.30	.77
Round beefsteak, bone out	2.83	.32	.91
Pork chops, center cut, bone in	2.39	.42	1.00
Sirloin beefsteak, bone in	2.98	.38	1.13
Rib roast of beef, bone in	3.37	.43	1.45
Porterhouse beefsteak, bone in	4.04	.38	1.54

Cost of 20 grams of protein from specified meats and meat alternates at December 1985 prices:

Food	Market unit	Price per market unit*	Part of market unit to give 20 grams of protein**	Cost of 20 grams of protein
Eggs, large	doz	$0.91	0.28	$0.25
Beef liver	lb	1.04	.25	.26
Peanut butter	18 oz	1.76	.15	.26

Bread, white, enriched***	lb	.57	.50	.28
Chicken, whole, ready-to-cook	lb	.78	.42	.33
Turkey, ready-to-cook	lb	1.03	.33	.34
Pork shoulder, smoked, bone in	lb	1.07	.32	.34
Milk, whole, fluid****	1/2 gal	1.11	.31	.34
Ground beef, regular	lb	1.28	.27	.35
Tuna, canned	6.5 oz	.85	.42	.36
Pork and beans, canned	16 oz	.43	.85	.37
Ground chuck	lb	1.68	.25	.42
Ham, half, smoked, bone in	lb	1.36	.33	.45
Chicken breasts, bone in	lb	1.74	.27	.47
Salmon, pink, canned	15.5 oz	2.14	.22	.47
Chuck roast of beef, bone in	lb	1.63	.29	.47
American process cheese	lb	2.55	.20	.51
Cheddar cheese, natural	lb	3.07	.18	.55
Pork loin roast, bone in	lb	1.65	.35	.58
Round roast of beef, bone out	lb	2.56	.23	.59
Ocean perch, fillet, frozen	lb	2.30	.27	.62
Round beefsteak, bone out	lb	2.83	.22	.62
Ham, canned	lb	2.49	.26	.65
Frankfurters, all meat	lb	1.83	.39	.71
Pork chops, center cut, bone in	lb	2.39	.32	.76
Sirloin beefsteak, bone in	lb	2.98	.26	.77
Haddock, fillet, frozen	lb	3.11	.26	.81
Bologna	lb	2.12	.38	.81
Pork sausage, bulk	lb	1.78	.47	.84
Bacon, sliced	lb	1.92	.52	1.00
Rib roast of beef, bone in	lb	3.37	.32	1.08
Yogurt, natural, fruit-flavored	1/2 pt	.58	2.02	1.17
Porterhouse beefsteak, bone in	lb	4.04	.30	1.21

* U.S. average retail price of food item estimated using information provided by the Bureau of Labor Statistics, U.S. Department of Labor, and the National Marine Fisheries Service, U.S. Department of Commerce.

** One-third of the daily amount recommended for a 20-year-old man. Assumes that all meat is eaten.

*** Bread and other grain products, such as pasta and rice, frequently are used with a small amount of meat, poultry, fish, or cheese as main dishes in economy meals. In this way, the high-quality protein in meat and cheese enhances the lower quality of protein in cereal products.

**** Although milk is not used to replace meat in meals, it is an economical source of good-quality protein.

#

1986 SUGAR IMPORT QUOTA PERIOD MODIFIED

WASHINGTON, Feb. 27—Daniel G. Amstutz, under secretary of agriculture for international affairs and commodity programs, announced today that the 1986 quota year for sugar imports is being changed from the period Dec. 1, 1985-Sept. 30, 1986, to the period Dec. 1, 1985-Dec. 31, 1986. Amstutz said that the change in the quota year is being implemented to comply with the provisions of the Food Security Act of 1985.

The 1986 base quota amount of 1.72 million short tons will now enter the United States over a 13-month period rather than a 10-month period. "This effectively reduces by over 20 percent the amount of quota sugar which will be imported during the period ending Sept. 30, 1986, since shipping patterns will be adjusted to assure that sugar arrives evenly during the extended period," Amstutz said.

This is the second time that it has been necessary to modify a quota year, according to Amstutz. In January 1985, the 1985 quota year was changed from the period Oct. 1, 1984-Sept. 30, 1985, to the period Oct. 1, 1984-Nov. 30, 1985. As a result, the base quota amount for the 1985 quota year of 2.55 million tons entered over a 14-month period rather than a 12-month period.

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USDA ANNOUNCES 1986 MARKETING QUOTAS FOR BURLEY TOBACCO, SETS REFERENDUM

WASHINGTON, Feb. 28—The national marketing quota for 1986-crop burley tobacco will be 525 million pounds, the same as that for 1985, according to Milton Hertz, acting administrator of the U.S. Department of Agriculture's Agricultural Stabilization and Conservation Service.

When adjustments for over and undermarketings are taken into consideration, effective farm quotas for 1986 are expected to total 500 million pounds, about 8 percent less than last year, he said.

Hertz said a mail referendum of growers will be held March 24-27 to decide whether marketing quotas will be in effect on the next three crops of burley tobacco. Quotas were last proclaimed on the 1983-85 crops and were approved by a 97 percent majority, Hertz said.

Burley tobacco is grown primarily in Kentucky, Tennessee, North Carolina, Virginia, Ohio, Indiana and West Virginia.

#

USDA ANNOUNCES CROSS COMPLIANCE NOT REQUIRED FOR 1986 FARM PROGRAMS

WASHINGTON, Feb. 28—Under Secretary of Agriculture Daniel G. Amstutz today announced that cross compliance will not be required by farmers participating in the 1986 wheat, feed grain, cotton and rice programs.

When cross compliance is in effect none of the crop acreage bases for a participating farm may be exceeded.

Amstutz also announced that crop acreage bases for wheat and feed grains will be determined based upon the average acres planted in such commodities in each of the five crop years immediately preceding the crop year for which the determination is made.

For upland cotton and rice, most crop acreage bases will be determined on the same basis as for wheat and feed grains. However, when the planted acreage for one or more of the years of the five-year base period is zero, such years must be dropped. The cotton and rice bases in these cases must not exceed the average of the planted acreage for 1984 and 1985.

Amstutz announced the program changes following the signing by President Reagan of amendments and technical corrections made by Congress to the Food Security Act of 1985.

Before the amendments, the Food Security Act of 1985 mandated cross compliance requirements for wheat and feed grains; the amended Act leaves cross compliance for all the program crops to the discretion of the Secretary of Agriculture.

Amstutz also announced that a farmer that does not believe a base or yield was correctly established may file an appeal with the local county Agricultural Stabilization Conservation Committee. The farmer may further appeal to the state ASC Committee and to the Agricultural Stabilization and Conservation Service deputy administrator of state and county operations.

#

USDA DELAYS OPENING FARM PROGRAM SIGN UP

WASHINGTON, Feb. 28—Under Secretary of Agriculture Daniel G. Amstutz said today the beginning of the sign-up period for 1986 programs for wheat, feed grains, rice and cotton will be delayed until March 6, and the sign up will conclude on April 11, as previously scheduled.

The delay has been caused by the uncertainty due to the continuing congressional debate over supplemental funding needed by the Commodity Credit Corporation and 1986 crop program provisions.

"We feel this action is in the best interest of farmers who want to participate in the programs, but need to know the details of them," Amstutz said. "We expect these matters to be resolved by the middle of next week."

Sign-up for the conservation reserve program will begin Monday, March 3, as scheduled.

#

USDA ANNOUNCES ADDITIONAL PROVISIONS OF 1985 AND 1986 RICE PROGRAMS

WASHINGTON, March 4—Under Secretary of Agriculture Daniel G. Amstutz today announced additional provisions of the 1985 and 1986 rice programs.

For the 1986 crop of rice, program provisions announced earlier include a required 35 percent acreage reduction, a target price of $11.90 per hundredweight, and a national average loan rate of $7.20 per hundredweight.

Additional 1986-crop program provisions announced today are:

— Signup will be held March 6 through April 11.

— Deficiency payments will be made on the acreage planted to rice within the permitted acreage, except that producers who plant at least 50 percent of the permitted acreage to rice and devote the remaining permitted acreage to conserving uses or to a nonprogram crop (defined as any crop other than wheat, feed grains, upland cotton, extra long staple cotton, rice or soybeans) will receive payment on 92 percent of the permitted acreage.

— Producers may request a cash advance deficiency payment of 30 percent of the projected total deficiency payment. The advance will be available during signup and will be based on an estimated deficiency payment rate of $4.70 per hundredweight.

— Producers who accept an advance deficiency payment but who later do not comply with program provisions must repay the advance plus interest.

— A proposed formula for determining the prevailing world market price for rice and a mechanism to periodically announce this price will be published in the Federal Register soon. Public comment on these proposals will be invited.

— Price support loans for 1986-crop rice will have a term of nine months beginning after the month in which the application for the loan is made.

— Loans made under the 1986-crop program may be repaid at any time during the term of the loan at the lesser of the (1) loan rate or (2) the higher of 50 percent of the loan level or the prevailing world market price for rice at the time repayment is made. Producers having 1986-crop rice under loan will not be offered the option of purchasing marketing certificates as a condition of repaying a loan at a reduced rate.

— Payments based on the difference between the 1986 loan rate and the loan repayment rate will not be offered to producers of 1986-crop rice who agree to forgo obtaining a loan or purchase agreement in return for such payments.

— The discretionary inventory reduction program ("1/2 ARP") will not be implemented.

— Bases and yields are being determined in accordance with the provisions of the Agricultural Act of 1949, as amended. Producers who believe that the bases and yield for their farms are incorrectly established may file an appeal with their local county Agricultural Stabilization and Conservation committee.

For 1985-crop rice, the following provisions are also announced.

— Producers having 1985-crop loans outstanding on April 15 will be permitted to repay such loans at the lesser of the loan rate or the prevailing world market price. Such producers will not be offered the option of purchasing negotiable marketing certificates as a condition for repaying such loans at the reduced rate.

— Rice producers whose 1985-crop price support loans are due April 30 may, at their option, extend these loans until May 31. This extension will provide producers and marketers additional opportunity to market rice under the marketing loan program which becomes effective April 15.

— Producers of 1985-crop rice which, although eligible for loan on a purchase agreement, was not pledged as loan collateral and was not the subject of a purchase agreement, and producers of 1985-crop rice which was ineligible to be pledged as loan collateral, may request payments on such rice if it has not been sold or delivered under a sales

contract. The payment will be in cash and computed by multiplying the quantity of such rice by a payment rate equal to the difference between the loan level for the 1985 crop and the loan repayment rate (the prevailing world market price). Since these payments are a new program benefit not provided for in the 1985 rice program contracts, a reduction of 4.3 percent will apply to such payments to comply with President Reagan's Feb. 1 sequester order issued under the Balanced Budget and Emergency Deficit Control Act of 1985, the Gramm-Rudman-Hollings act.

#

USDA APPROVES USE OF EMERGENCY STORAGE SPACE

WASHINGTON, Mar. 5—Federal and state licensed warehousemen currently approved under a Uniform Grain Storage Agreement may request approval from the Commodity Credit Corporation to store grain in emergency facilities, Milton Hertz, acting CCC executive vice president, announced today.

Warehousemen operating under a federal license must have approval from the USDA's Kansas City Commodity Office prior to using emergency storage, Hertz said. State licensed warehousemen must have approval of the state licensing authority and comply with its regulations before seeking approval from the CCC, he said.

Hertz said that the USDA expects storage space in some areas of the nation to be very tight. The option to store grain in emergency storage facilities is open to warehousemen throughout the United States.

This early announcement of the emergency storage option should give warehousemen an opportunity to better plan and manage their storage space for the coming crop year, Hertz said.

Emergency storage space for both CCC-owned grain and grain under loan may be used as soon as approved by the appropriate authorities, Hertz said. Grain in emergency facilities must be removed by March 31, 1987, he said.

Hertz said some examples of emergency storage are hopper cars, barges and outside storage. Warehousemen approved for emergency storage are required to guarantee the quantity and quality of all grain stored in the emergency space, he said.

Each UGSA-approved warehouseman will receive additional details from the USDA's Kansas City Commodity Office concerning the emergency storage space program.

#

USDA CLARIFIES CCC SALES POLICY FOR 1986-1990 CROPS OF PEANUTS

WASHINGTON, March 5—Under Secretary of Agriculture Daniel G. Amstutz today clarified the sales policy for the 1986-1990 crops of peanuts owned or controlled by the U.S. Department of Agriculture's Commodity Credit Corporation. The USDA announced details of the sales policy for those crop years last month.

Amstutz said that quota and additional peanuts placed under loan may be sold by CCC for domestic edible use, including use for seed, at not less than 105 percent of the quota loan rate, plus costs, if sold on or before Dec. 31, 1986, or 107 percent of the quota loan rate, plus costs, if sold after that date.

The exception to this policy is that sales of additional loan peanuts for domestic edible use—if sold and paid for during the harvest season at the time of delivery by and with the consent of the producer—will be made at no less than 100 percent of the quota loan rate, plus costs.

Amstutz said additional peanuts will be sold by CCC for export for edible use at no less than the lower of (1) $400 per ton, or (2) 102 percent of the average contract price by type for "Segregation 1" additional peanuts delivered under contract, plus costs (including inspection, warehousing and shrinkage), for such marketing year, as determined by CCC.

Segregation 1 is a standard farmers stock category of edible peanuts.

#

USDA RELEASES COST OF FOOD AT HOME FOR JANUARY

WASHINGTON, March 5—Here is the U.S. Department of Agriculture's monthly update of the weekly cost of food at home for January 1986.

Cost of food at home for a week in January 1986

	Plans			
	Thrifty	Low-cost	Moderate-cost	Liberal
Families:				
Family of 2 (20-50 years)	37.80	47.80	59.20	73.40
Family of 2 (51 years and over)	35.70	45.90	56.50	67.60
Family of 4 with preschool children	55.00	68.70	84.10	103.00
Family of 4 with elementary school children	63.10	80.70	101.10	121.60
Individuals in four-person families:				
Children:				
1-2 years	9.90	12.00	14.00	16.80
3-5 years	10.70	13.20	16.30	19.50
6-8 years	13.10	17.40	21.80	25.50
9-11 years	15.60	19.80	25.50	29.40
Females:				
12-19 years	16.20	19.50	23.70	28.60
20-50 years	16.30	20.40	24.80	31.70
51 and over	16.10	19.70	24.40	29.10
Males:				
12-14 years	16.30	22.50	28.00	32.90
15-19 years	16.90	23.30	28.90	33.40
20-50 years	18.10	23.10	29.00	35.00
51 and over	16.40	22.00	27.00	32.40

USDA's Human Nutrition Information Service computes the cost of food at home for four food plans—thrifty, low-cost, moderate-cost, and liberal.

Suzanne Harris, deputy assistant secretary for food and consumer services, said the plans consist of foods that provide well-balanced meals and snacks for a week.

In computing the costs, USDA assumes all food is bought at the store and prepared at home. Costs do not include alcoholic beverages, pet food, soap, cigarettes, paper goods, and other nonfood items bought at the store.

"USDA costs are only guides to spending," Harris said. "Families may spend more or less, depending on such factors as where they buy their food, how carefully they plan and buy, whether some food is produced at home, what foods the family likes, and how much food is prepared at home.

"Most families will find the moderate-cost or low-cost plan suitable," she said. "The thrifty plan, which USDA uses to set the coupon allotment in the food stamp program, is for families who have tighter budgets. Families with unlimited resources might use the liberal plan."

To use the chart to estimate your family's food costs:

— For members eating all meals at home—or carried from home—use the amounts shown in the chart.

— For members eating some meals out, deduct 5 percent from the amount shown for each meal not eaten at home. Thus, for a person eating lunch out 5 days a week, subtract 25 percent, or one-fourth the cost shown.

— For guests, add 5 percent of the amount shown for the proper age group for each meal.

Costs in the second part of the chart are for individuals in four-person families. If your family has more or less than four, total the "individual" figures and make these adjustments, because larger families tend to buy and use food more economically than smaller ones:

— For a one-person family, add 20 percent.

— For a two-person family, add 10 percent.

— For a three-person family, add 5 percent.

— For a five- or six-person family, subtract 5 percent.
— For a family of seven or more, subtract 10 percent.

Details of the four family food plans are available from the Nutrition Education Division, Human Nutrition Information Service, USDA, Federal Building, Hyattsville, Md. 20782.

#

USDA AGENCIES TO ASSIST FmHA WITH LOAN APPLICATIONS

WASHINGTON, March 6—Field staffs of USDA agencies will help Farmers Home Administration employees speed up the loan approval process to provide credit to farmers as soon as possible, Acting Secretary of Agriculture Frank W. Naylor Jr. said today.

"FmHA county supervisors have a great deal of additional work to do this spring because of changes brought about by the Farm Bill and FmHA's new loan servicing regulations," Naylor said. "There will be some areas where the workload will be more than can be handled quickly. To help FmHA county supervisors deliver credit to farmers during this very busy loan season, other agencies will provide personnel and expertise to FmHA wherever possible."

Naylor emphasized that the assistance by other agencies "will be within current staffing, and will not jeopardize their own farm program delivery systems. They will provide both professional and clerical help.

"Depending on their expertise and available time, other agency personnnel may assist FmHA with such activities as discussing eligibility criteria with farmers, performing annual inspections, assisting applicants in completing forms and developing Farm and Home Plans.

#

USDA PROPOSES FORMULA FOR DETERMINING WORLD PRICE OF UPLAND COTTON

WASHINGTON, March 6—Deputy Under Secretary of Agriculture Richard Goldberg today announced the formula by which the U.S. Department of Agriculture proposes to determine the prevailing world market price, adjusted to U.S. quality and location, for upland cotton.

Goldberg also announced the proposed mechanism by which such an adjusted world market price will be periodically announced by the USDA.

The proposals are required by the Agricultural Act of 1949, as amended by the Food Security Act of 1985. The adjusted world market price for upland cotton will be used under several provisions of the upland cotton program for the 1986 through 1990 crops.

The USDA is proposing that the prevailing world market price for upland cotton be determined as follows:

1. The prevailing world market price for upland cotton will be based upon the average of the price quoted each Thursday for the five lowest-priced growths quoted for Middling (M) 1-3/32 inch cotton C.I.F. (cost, insurance, freight) northern Europe (Northern Europe price).

2. The Northern Europe price will be adjusted to average U.S. spot market location by deducting the average difference during the preceding 52-week period between:

a. the average of the prices quoted each Thursday for U.S. Memphis territory and California/Arizona M 1-3/32 inch cotton C.I.F. northern Europe, and;

b. the average of the prices quoted each Thursday in the designated spot markets for M 1-3/32 inch (micronaire 3.5 through 4.9) cotton.

3. The price derived in item 2 will be adjusted from M 1-3/32 inch to Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5 through 4.9) cotton by deducting the difference between the announced U.S. price support loan rates for M 1-3/32 inch (micronaire 3.5 through 4.9) and SLM 1-1/16 inch (micronaire 3.5 through 4.9) cotton.

4. The price derived in item 3 will be adjusted to average U.S. location by deducting the difference between the average loan rate for SLM 1-1/16 inch (micronaire 3.5 through 4.9) cotton in the spot markets and the announced U.S. loan rate for SLM 1-1/16 inch

(micronaire 3.5 through 4.9) cotton at average U.S. location.

The adjusted world price for upland cotton will be initially determined and announced as soon as possible after publication of a final rule in the Federal Register setting forth the formula for determining such price. Thereafter, the adjusted world price will be determined weekly and will be announced by the USDA on or before 10 a.m. Eastern time each Friday beginning Aug. 1, 1986, and continuing through the last Friday of July 1991.

The value of other qualities at each warehouse location will be based upon the adjusted world price, further adjusted by the premiums and discounts for grade and staple, discounts for micronaire, and location differentials applicable to each warehouse location as announced under the upland cotton price support loan program.

The following prices and adjustments will illustrate how the mechanism would work to arrive at the prevailing world market price:

In late February the average of the five lowest priced growths quoted for M 13/32 inch cotton C.I.F. Northern Europe was approximately 54 cents per pound. The average difference during the preceding 52-week period between the average of the prices quoted each Thursday for Memphis territory and California-Arizona M 1-3/32 inch cotton C.I.F. Northern Europe and the average of the prices quoted each Thursday in the spot markets for M 1-3/32 inch (micronaire 3.5 through 4.9) cotton was approximately 10.25 cents per pound. The 1986-crop loan rate and Schedules of Premiums and Discounts for Grade and Staple, Discounts for Micronaire and location differentials at each warehouse location have not been announced. The 1985-crop loan difference between average spot market location and average U.S. location was 0.52 cents per pound. The 1985-crop loan difference between M 1-3/32 inch (micronaire 3.5 through 4.9) and SLM 1-1/16 inch (micronaire 3.5 through 4.9) was 1.95 cents per pound. If the adjusted world price was to be determined now using the proposed procedures and the above adjustments it would be 41.31 cents per pound basis SLM 1-1/16 inch (micronaire 3.5 through 4.9) cotton at average U.S. location. All the quotations and adjustments will vary over time and the proposed procedures are subject to change following the public comment period.

Details of the proposals will be published in the March 11 Federal Register. The public is invited to submit written comments on the proposed procedures for determining and announcing the adjusted world market price for upland cotton. Comments must be received no later than March 26 to be assured of consideration.

Submit comments to: Dr. Howard C. Williams, Director, Commodity Analysis Division, USDA-ASCS, Room 3741 South Building, P.O. Box 2415, Washington, D.C. 20013. The comments will be available for public inspection in Room 3741 during regular business hours.

#

UNITED STATES SELLS SURPLUS DAIRY PRODUCTS TO MEXICO

WASHINGTON, March 6– Under Secretary of Agriculture Daniel G. Amstutz today announced an export sale by the Commodity Credit Corporation of 68.6 million pounds (31,100 metric tons) of nonfat dry milk valued at $24.9 million to CONASUPO, the Mexican government's food-purchasing agency.

CCC sold the nonfat dry milk, part of its surplus inventory acquired under the CCC dairy price support program, for $800 per ton delivered f.o.b. railcar at U.S.-Mexican border points. Deliveries will begin in March with payment in U.S. dollars. No credit arrangements are involved in this sale, Amstutz said.

CCC has made sales of nonfat dry milk to CONASUPO since 1986. Mexico is the only traditional U.S. export market for nonfat dry milk. In January, CCC sold to CONASUPO 22 million pounds (10,000 tons) of nonfat dry milk valued at $7.3 million for delivery in February and March.

Last week, Mexico offered to purchase 106,300 tons of nonfat dry milk. Ireland, Canada, the United Kingdom and New Zealand sold the balance of 72,500 tons of nonfat dry milk. Ireland, the United Kingdom and New Zealand sold their nonfat dry milk at $790 per ton delivered to a Mexican port. Canada sold its nonfat dry milk at $800 per ton for delivery by rail to a U.S.-Mexican border point.

As of February 21, CCC had 947 million pounds (429,600 tons) of noncommitted nonfat dry milk in its inventory.

#

LYNG SWORN IN AS SECRETARY OF AGRICULTURE

WASHINGTON, March 7—Richard E. Lyng has been sworn in as the 22nd U.S. Secretary of Agriculture.

Lyng was administered his legal oath of office Thursday evening by the deputy clerk of the White House. Lyng's nomination to the cabinet post was confirmed by the Senate earlier Thursday in a 95-2 vote. A private, ceremonial swearing-in by President Reagan will be held at the White House Tuesday, March 11.

Lyng served as USDA's deputy secretary of agriculture during the first term of the Reagan administration. He also served as transition team leader for USDA after Reagan's election in 1980.

Lyng was born June 29, 1918, in San Francisco, and was graduated from the University of Notre Dame in 1940. He spent 30 months with the U.S. Army in the South Pacific during World War II, participating in the battles of Guadalcanal and Bougainville.

From 1949 to 1967, Lyng served as president of the Ed. J. Lyng Company, a family seed and bean production and processing company in Modesto, Calif. He was appointed director of the California State Department of Agriculture by Governor Reagan in 1967, and served in that post until 1969 when he was appointed USDA's assistant secretary for marketing and consumer services.

From 1973 to 1979, Lyng served as president of the American Meat Institute. He also has served as director of Tri-Valley Growers, San Francisco, Calif.; the Chicago Mercantile Exchange; the Agribusiness Advisory Board, University of Santa Clara; and as a member of the Animal Health Committee of the National Academy of Sciences.

In 1985, Lyng and William Lesher formed Lyng and Lesher, Inc., a Washington-based agricultural consulting firm.

Lyng is married to Bethyl Ball. They have two daughters and four grandchildren, and live in Arlington, Va.

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USDA ANNOUNCES PRELIMINARY RESULTS OF TOBACCO REFERENDUM

WASHINGTON, March 10—Tobacco growers have disapproved marketing quotas for Maryland, cigar-filler and cigar-binder tobaccos and thus are ineligible for federal price supports for these tobaccos for marketing years 1986, 1987 and 1988, according to preliminary results of a mail referendum released today by the U.S. Department of Agriculture.

Quotas were last in effect in 1965 for Maryland tobacco, grown in Maryland, Virginia and Pennsylvania. Quotas have never been in effect for cigar-filler (type 41) tobacco, grown in Pennsylvania. For cigar-binder tobacco (types 51-52), grown in Connecticut and Massachusetts, quotas were last proclaimed for the 1985-87 crops, but these quotas were rejected by growers in February 1985. Quotas for cigar-binder tobacco were last in effect in 1983. In a concurrent referendum, growers approved quotas for Virginia sun-cured tobacco for marketing years 1986, 1987 and 1988. Quotas were last proclaimed for this tobacco for the 1983-85 crops and were approved by a 91.6 percent majority of growers.

Preliminary results of the Feb. 24-27 referenda are:

	(Total Votes)	(Yes Votes)	(No Votes)	(% in Favor)
Cigar Binder	84	7	77	8.3
Cigar Filler	344	46	298	13.4
Maryland	1,058	223	835	21.1
Virginia Sun-Cured	99	94	5	94.9

#

1985-CROP RICE LOANS EXTENDED FURTHER

WASHINGTON, March 10—Secretary of Agriculture Richard E. Lyng today offered rice producers the option of further extending their Commodity Credit Corporation loans on 1985-crop rice an additional 30 days, through June 30.

On March 4 the U.S. Department of Agriculture announced that rice producers, at their option, could extend 1985-crop rice loans through May 31. Originally, all 1985-crop rice loans were scheduled to mature April 30.

Lyng said he took the action to provide rice growers more time to market their 1985 crop.

#

DATE EXTENDED FOR DETERMINING STATUS OF INDIVIDUALS FOR FARM PROGRAM PAYMENTS

WASHINGTON, March 12—Secretary of Agriculture Richard E. Lyng announced today that the date for determining the status of individuals or entities to which payments are made under the 1986 farm programs has been extended from March 1 to April 1.

Lyng said the action was taken to allow farmers more time to make the status decision because of the late enactment of the Food Security Act of 1985 and subsequent changes plus the large number of farms signing up to participate in the 1986 farm programs.

#

USDA INCREASES FEES FOR FRESH FRUIT AND VEGETABLE GRADING, INSPECTION

WASHINGTON, March 12—The U.S. Department of Agriculture has increased the fees it charges to inspect and grade fresh fruits and vegetables at destination markets, a department official announced today.

Joseph A. Gribbin, an official with USDA's Agricultural Marketing Service, said the grading and inspection fees are being raised to cover increased costs of providing the services.

Gribbin said the new fee schedule, which becomes effective March 23, raises fees for examining both the quality and condition of a product, or its condition only. Users of the service will be charged $50 to inspect more than half a carlot of a product for quality and condition, $42 for each half carlot equivalent or less of an individual product, and $100 maximum for each carlot equivalent when more than one kind of product is involved. A carlot equivalent is approximately 40,000 pounds.

For condition inspection only, producers will be charged $42 when the volume of a product is in excess of one-half carlot and $38 for each half-carlot or less of an individual product. A maximum of $84 will be charged when more than one kind of product is involved.

Rates for inspection on a per hour basis, small package inspection fees and the inspection charges for peanuts, pecans and other nuts will also be raised.

AMS establishes grade standards and provides official grading for many agricultural products. Use of the standards and grading service is voluntary and required by law to be self-supporting.

Notice of the new rule was published today in the Federal Register. Copies may also be obtained from the Hearing Clerk, Room 2069-S, AMS, USDA, Washington, D.C. 20250.

#

USDA ADDS $750 MILLION TO FARMERS HOME OPERATING LOAN FUNDS

WASHINGTON, March 12—President Reagan has authorized the U.S. Department of Agriculture to make $750 million in additional funding available immediately through the Farmers Home Administration for farm operating loans, Secretary Richard E. Lyng said today.

"These funds will come from accounts where demand is considerably less than anticipated and should assure satisfactory levels of operating loans for all eligible farm borrowers," Lyng said. "This makes a total of almost $4 billion available for operating loans this year through FmHA alone."

For the additional funding, $700 million in direct operating loans is being transferred from the disaster emergency program, and $50 million in guaranteed loans is being transferred from the business and industry program. Previously authorized funding totaled $1.5 billion in direct and $1.66 billion in guaranteed operating loans.

"Loan demand has been heavy in some states," Lyng said, "and this has put pressure on our ability to meet that demand. The extra funds being made available today, plus the availability of advance deficiency payments to many farmers, should handle most agricultural credit problems this spring."

#

RETIRED USDA SCIENTIST SHARES MAJOR AWARD FOR WHEAT RESEARCH

WASHINGTON, March 13—Ernest R. Sears, a U.S. Department of Agriculture researcher on plant genetics who retired in 1976, will share a $100,000 research prize awarded by an Israeli foundation for his pioneerng research on wheat.

Sears, who retired from USDA's Agricultural Research Service after a 40-year career, and British plant scientist Sir Ralph Riley will receive the Wolf Foundation 1986 prize for agricultural research May 25 in Jerusalem. Israel's President will present the award at the Knesset, or parliament.

The two scientists will be cited for their "independent but related work" that led to genetic improvement of cereal grains to help feed a growing world population, according to a foundation announcement.

"Ernest Sears' accomplishments throughout his USDA career opened new opportunities for developing and breeding modern wheat varieties," said Terry B. Kinney Jr., Administrator of USDA's research agency.

Sears work helped determine the origin of wheat and how it can be changed genetically. He analyzed the effects of individual chromosomes, the genetic building blocks of wheat. By removing and adding chromosomes, he was able to show how each chromosome affects the plant. This gave scientists the tools to develop better types of wheat.

He was stationed all his career with the USDA Cereal Genetics Research Unit at the University of Missouri, Columbia. He also holds an appointment as professor emeritus of agronomy at the university.

Sears won USDA's Superior Service Award in 1958. He is a member of the National Academy of Sciences.

#

USDA EQUAL OPPORTUNITY ADVISORY COMMITTEE TO MEET IN BATON ROUGE

WASHINGTON, Mar. 12—The U.S. Department of Agriculture's Citizens' Advisory Committee on Equal Opportunity will meet April 7-9 in Baton Rouge, La.

The committee members review USDA's policies and procedures relating to equal opportunity, and reports their findings to Secretary of Agriculture Richard E. Lyng.

The committee also makes recommendations for changes in USDA's programs and services to ensure they are free of discrimination. Specifically, this meeting will focus on operational programs and constituent services in the areas of the Farmers Home Administration, Extension Service and the Food and Nutrition Service.

The meeting is open to the public. Anyone wishing to speak or file written statements before or after the meeting should contact: Lawrence Bembry, Associate Director, Equal Opportunity, Office of Advocacy and Enterprise, USDA, Room 2305 Auditors Bldg, 14th and Independence Ave., S.W., Washington, D.C. 20250. Telephone (202) 447-5681.

Written statements will be accepted until March 28, 1986.

#

USDA MAKES FUNDS AVAILABLE FOR FLORIDA CITRUS COMPENSATION PAYMENTS

WASHINGTON, March 13—Secretary of Agriculture Richard E. Lyng today took steps to make funds available to compensate Florida citrus nurserymen and growers whose trees were destroyed because they were infected with or exposed to citrus canker.

"The funds are being made available through a reprogramming within USDA," said Lyng. "We have been aware of the hardships suffered by the growers in Florida and are pleased to reaffirm our commitment to do our share in reimbursing them for a portion of their losses."

Lyng announced the decision at a meeting with members of Congress from Florida. He said the action does not change an earlier decision to end federal involvement in the operational program by March 31.

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SECRETARY LYNG APPOINTS EMERGENCY DAIRY CONTAMINATION TASK FORCE

WASHINGTON, March 14—In response to the contamination of milk and dairy cattle with the banned pesticide heptachlor, Secretary of Agriculture Richard E. Lyng has dispatched an emergency task force to Arkansas, Missouri and Oklahoma.

The task force will review the problem and recommend action by the U.S. Department of Agriculture.

"Along with our concerns about the public health implications of the heptachlor contamination, we fear its effects on farmers and agriculture," Lyng said. "The economic consequences for dairy farmers could be considerable."

Officials from the Food and Drug Administration and state public health agencies have confirmed the presence of heptachlor in milk from cows raised in the three states. The dairy herds are now under quarantine, and USDA is testing meat from livestock in the area.

Lyng said it appears that the pesticide residues came from feed supplied to dairy farmers in these states by Valley Feeds in Van Buren, Ark. An alcohol fuel plant at Valley Feeds apparently used heptachlor-treated seed grain to manufacture the ethanol used for gasohol. The contamination resulted when the company sold the leftover "mash" as animal feed.

The Environmental Protection Agency banned most of heptachlor's food uses in 1975, after it was found to be a suspected carcinogen. Its approval for use in all seed treatment products was ordered to cease by July 1983, although farmers could continue to buy and use existing stocks.

The task force—to be headed by Michael J. Masterson, special assistant to the Secretary—will include officials from the U.S. Department of Agriculture's Food Safety and Inspection Service, the Agricultural Stabilization and Conservation Service and other agencies with special expertise.

The task force will begin visiting the affected areas Tuesday, where it will gather data from other federal officials, dairy producers, agricultural leaders, and state and local officials, according to Lyng.

Upon its return next week to Washington, the task force will brief the Secretary on its findings and recommendations.

#

STATES NOTIFIED OF ASSESSMENTS FOR FOOD STAMP ERRORS

WASHINGTON, March 17—The U.S. Department of Agriculture today announced a national average payment error rate of 8.6 percent—or approximately $900 million in misexpenditures—for the federal food stamp program in fiscal year 1984, according to Assistant Secretary John W. Bode.

USDA has notified 36 states that they had excessive error rates for FY 1984, and may be assessed a total of approximately $80 million for overpayments made to food stamp recipients that year under the provisions of the quality control system.

"The food stamp quality control system provides a powerful incentive for states to continue to reduce errors," Bode said. "The system allocates the cost of overpayments between the federal government and the states so that states pay a part of the cost only when their error rates are too high."

The national error rate goal for FY 1984 was set by Congress at 7 percent. As a result, USDA will pay the full cost of the first 7 percent of overpayments. The quality control system generally allocates to the states a portion of the overpayments above the 7 percent standard, according to Bode.

States notified of excessive error rates have 30 days in which to request a "good cause" waiver from USDA. There are several criteria for good cause waivers, such as significant caseload growth just before or during a reporting period, or natural disasters that adversely affect program operations.

In addition, two states—Nevada and South Dakota—are eligible for a total of nearly $745,000 in additional administrative funding for maintaining low error rates in FY 1984.

Through the food stamp quality control system, USDA's Food and Nutrition Service monitors performance by measuring errors made by caseworkers and applicants when determining a household's eligibility and benefits. FNS uses this information to establish error rates for the states.

Quality Control Payment Error Rates - FY 1984

Alabama	13.35*	Montana	8.77*
Alaska	9.29	Nebraska	8.79*
Arizona	9.38*	Nevada	2.54
Arkansas	9.66*	New Hampshire	8.18*
California	7.67*	New Jersey	7.47*
Colorado	10.66*	New Mexico	11.83*
Connecticut	7.11	New York	10.14*
Delaware	6.40	North Carolina	7.22*
District of Columbia	8.80*	North Dakota	6.27
Florida	9.00*	Ohio	6.65
Georgia	9.57*	Oklahoma	7.61*
Guam	3.39	Oregon	9.18*
Hawaii	3.69	Pennsylvania	10.41*
Idaho	6.88	Rhode Island	7.08
Illinois	8.31*	South Carolina	10.90*
Indiana	8.64*	South Dakota	3.59
Iowa	8.51*	Tennessee	6.09
Kansas	7.35*	Texas	9.97*
Kentucky	8.98*	Utah	11.43*
Louisiana	10.16*	Vermont	9.71*
Maine	6.74	Virgin Island	12.13*
Maryland	6.85	Virginia	7.63*
Massachusetts	9.86*	Washington	9.23*
Michigan	6.46	West Virginia	6.95
Minnesota	9.77*	Wisconsin	9.60*
Mississippi	9.24*	Wyoming	9.08*
Missouri	5.83		

The states marked with an asterisk were notified of potential assessments for having food stamp error rates over the Congressionally mandated limits for FY 1984.

Certain states show error rates higher than 7 percent, yet have not been assessed. Based on a specific legislative provision, these states were assigned target goals higher than the uniform tolerance level of 7 percent otherwise in effect for FY 1984.

#

FmHA ANNOUNCES HOMESTEAD PROGRAM

WASHINGTON, March 18—Farmers Home Administration borrowers who have had to leave their farms for financial reasons may be able to retain their homes, FmHA Administrator Vance Clark announced today.

Under the dwelling retention (homestead) program, a farm home acquired by FmHA through voluntary conveyance, foreclosure or bankruptcy proceedings can be leased back, under certain conditions, to the former owner with an option to purchase.

A former FmHA borrower can apply to FmHA to lease the farm home and "a reasonable amount of land", usually about five acres, for up to five years with an option to purchase when he or she is financially able. The former owner must have sufficient income to make rental payments and to maintain the property in good condition.

To be eligible for the program, a farmer also must show that in at least two out of the last five years, gross farm income amounted to $40,000 or more and that 60 percent of family income came from the farm operation.

Additional details of the dwelling retention program are available in the March 18 Federal Register.

#

USDA SEEKS COMMENTS ON PORK PROMOTION, RESEARCH AND CONSUMER INFORMATION ORDER

WASHINGTON, March 18—The U.S. Department of Agriculture is soliciting public comments on an industry-proposed pork promotion, research and consumer information order, a department official announced today.

Paul Fuller, a marketing official with USDA's Agricultural Marketing Service, said the proposed order is sponsored by the National Pork Producers Council and will be published tomorrow in the Federal Register. Written comments on the proposed order will be considered before the secretary of agriculture issues a final order, he said.

"A public meeting also is being sponsored to give as many people as possible the opportunity to comment on the proposed order," said Fuller. "The record of this meeting, also, will be considered in the development of a final order."

The meeting will be held Monday, April 21, beginning at 9:00 a.m. (EST) in USDA's Jefferson Auditorium, South Agricultural Building, 14th and Independence Ave., Washington, D.C.

Comments and requests for further information may be sent to Ralph L. Tapp, Chief, Marketing Programs and Procurement Branch, Livestock and Seed Division, AMS, USDA, P.O. Box 23762, Washington, D.C. 20026-3762; telephone (202) 447-2650. Comments should be submitted in duplicate and received by May 5.

#

TUNISIA TARGETED FOR EXPORT ENHANCEMENT PROGRAM

WASHINGTON, March 18—Secretary of Agriculture Richard E. Lyng announced today that a wheat offer to Tunisia will be the eighteenth initiative under the U.S. Department of Agriculture's Export Enhancement Program. As with previous announcements under this program, sales will be made at competitive world prices.

Lyng said this program will give U.S. exporters the opportunity to sell up to 300,000 metric tons of wheat. The sales will be subsidized with wheat from the Commodity Credit Corporation's inventory. The subsidy will enable U.S. exporters to compete at commercial prices in the Tunisian market in response to future tenders for wheat.

For futher information call William Randolph, (202) 382-9254, or Larry McElvain, (202) 447-6225.

#

NEW VITAMIN C TEST IS MORE ACCURATE THAN OTHER METHODS

WASHINGTON, March 19—Vitamin C can be measured in blood more accurately than ever before with a new test developed by U.S. Department of Agriculture researchers.

The test distinguishes vitamin C, or ascorbic acid, from the closely related compound, isoascorbic acid, that is used as a food additive, said nutritionist Stanley T. Omaye of USDA's Agricultural Research Service.

"Until now, the most commonly used methods to measure vitamin C didn't distinguish between the two compounds," said Omaye. "This means that results from these earlier tests—which are used by physicians, nutritionists, and other healthcare professionals—could be misleading because isoascorbic acid doesn't have the same benefits as vitamin C."

The test can be used to detect vitamin C deficiency and to let doctors know if patients recovering from burns or surgery are getting enough vitamin C, Omaye said. Vitamin C helps heal wounds and keeps teeth, gums, bones, and joints healthy.

"If the test is used to routinely monitor vitamin C, it can identify small but important fluctuations in a patient's vitamin C level long before an actual deficiency occurs," he said.

According to Omaye, leading candidates for the deficiency in this country include teenagers who go on fad diets or elderly patients who fail to eat enough vitamin C-rich fruits and vegetables.

Good sources of the vitamin are citrus fruits, strawberries, cantaloupes, green leafy vegetables, peppers, broccoli and cauliflower.

Vitamin C and isoascorbic acid can be identified by other tests, but they are much slower and are not as sensitive as the new procedure, Omaye said. These tests also fail to detect very small amounts of the vitamin and require more blood for the sample.

Omaye, Mark A. Kutnink and James H. Skala of the research agency's Western Human Nutrition Research Center, San Francisco, along with former co-worker Howerde E. Sauberlich, now of the University of Alabama at Birmingham, developed the test.

The test uses a combination of a preservative and a chemical that makes separation of the compounds possible. The preservative is needed because vitamin C is highly unstable and decomposes rapidly, making it difficult to measure accurately.

The analysis is run on a high-performance liquid chromatograph, equipped with an electrochemical detector. The chromatograph separates the components of the sample into specific chemicals. After separation, the electrochemical detector is used to determine how much of each chemical was in the sample.

Omaye said food processors can use the new test to check vitamin C levels in their products against the levels stated on the product labels, or they can use it to check levels of isoascorbic acid.

#

JORDAN ELIGIBLE FOR EXPORT ENHANCEMENT PROGRAM

WASHINGTON, March 19—Secretary of Agriculture Richard E. Lyng announced today that a wheat offer to Jordan will be the nineteenth initiative under the U.S. Department of Agriculture's Export Enhancement Program. As with previous announcements under this program, sales will be made at competitive world prices.

Lyng said this program will give U.S. exporters the opportunity to sell up to 75,000 metric tons of wheat. The sales will be subsidized with wheat from the Commodity Credit Corporation's inventory. The subsidy will enable U.S. exporters to compete at commercial prices in

the Jordanian market in response to future tenders for wheat.

For futher information call William Randolph, (202) 382-9254, or Larry McElvain, (202) 447-6225.

#

USDA ANNOUNCES PRELIMINARY FLUE-CURED TOBACCO REFERENDUM RESULTS

WASHINGTON, March 20—Secretary of Agriculture Richard E. Lyng announced today that preliminary results from a mail referendum held March 10-13 indicate flue-cured tobacco growers have voted to continue acreage-poundage quotas and price supports for their crops for the next three years.

Lyng said preliminary results show that 83,449 producers voted in the referendum and of this number 78,164—93.7 percent—voted "yes". A vote of at least two-thirds in favor was necessary for continuing quotas and supports.

In the last referendum, held in December 1982, 93.7 percent of the voting growers of flue-cured tobacco favored marketing quotas for the 1983, 1984 and 1985 crops.

Flue-cured tobacco is grown in Alabama, Florida, Georgia, North Carolina, South Carolina and Virginia. Preliminary results by states are as follows:

State	Votes Cast	Percentage favoring quotas
Alabama	44	93.2
Florida	1,356	90.2
Georgia	8,196	90.4
North Carolina	55,845	94.4
South Carolina	6,953	94.3
Virginia	11,055	92.6

#

USDA TO BRIEF SMALL AND MINORITY BUSINESSES ON PROCUREMENT OPPORTUNITIES

WASHINGTON, March 20—The U.S. Department of Agriculture will hold a meeting Monday, April 7, to brief small, minority and women-owned businesses specializing in information resources management on future procurement opportunities at USDA.

John J. Franke Jr., USDA's assistant secretary for administration, said the meeting will include general information on how to do procurement business with USDA, and on USDA's small and disadvantaged business program.

The meeting will begin at 1:30 p.m. in the Jefferson Auditorium, USDA South Building, 14th and Independence Avenue, S.W., Washington, D.C., and is open to the public.

For more information, contact Casey Mann, Associate Director, Office of Small and Disadvantaged Business Utilization, Room 126-W, Washington, D.C. 20250; telephone (202) 447-7117.

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USDA EXTENDS PERIOD FOR REVISING WINTER WHEAT ACREAGE REPORTS

WASHINGTON, March 20—The U.S. Department of Agriculture today extended until April 1 the time period for wheat producers to revise winter wheat acreage reports. The original time period had been scheduled to end March 21.

"This extension will allow producers to report more accurately planted acreage that is now intended for harvest," said Merritt W. Sprague, manager of USDA's Federal Crop Insurance Corporation.

The revised acreage reports give wheat farmers an opportunity to evaluate their crop insurance needs in relation to other USDA programs, Sprague said.

Farmers should contact their crop insurance agents if they wish to make revisions in their coverage.

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USDA PROPOSES FORMULA FOR DETERMINATION OF WORLD PRICE FOR RICE

WASHINGTON, March 20—Under Secretary of Agriculture Daniel G. Amstutz today announced the proposed formula by which the prevailing world market price for rice is to be determined.

Amstutz also announced the proposed mechanism by which the world rice price will be periodically announced by the U.S. Department of Agriculture.

The USDA is proposing that the prevailing world market price for a class of rice be determined by reviewing export market prices, adjusting such prices to U.S. quality and location and further adjusting such prices to a loan rate basis.

The specific steps being proposed are as follows:

1. USDA will review prices at which rice is being sold in world markets and weight such prices through the use of information such as changes in supply and demand of rice, results of tender offers, and other relevant price indicators. The resulting prices shall be adjusted to U.S. equivalent values (free-on-board (FOB) vessels, U.S. port of export) per hundredweight for U.S. grade No. 2, 4 percent broken kernels, separately for long, medium, and short grain milled rice.

2. Export transactions involving rice and all other related market information will be monitored on a continuous basis. Relevant information for this purpose may be obtained from U.S. Department of Agriculture field reports, international organizations, and rice marketing organizations.

3. The prevailing world market price for a class of rice, adjusted to U.S. quality and location, shall be adjusted by deducting from such calculated price the estimated national average costs associated with (a) the use of bags, and (b) the transfer of such rice from mill location to FOB vessel with such costs including, but not limited to, freight, unloading, wharfage, insurance, inspection, fumigation, and stevedoring.

4. The FOB mill price so determined shall be adjusted to reflect the market value of the total quantity of whole kernels contained in such milled rice by deducting the value of broken kernels. The value of broken kernels shall be based upon the estimated domestic market value.

5. The total whole kernel market value shall be adjusted to reflect the per pound market value of whole kernels by dividing the price by the quantity of whole milled kernels contained in the milled rice.

6. Such price shall be adjusted to reflect the market value of whole kernels contained in 100 pounds of rough rice by multiplying such price by the estimated national average quantity of whole kernel rice by class obtained from milling 100 pounds of rough rice.

7. The market value of whole kernels will be adjusted to reflect the prevailing world market value of rough rice by adding to it the domestic market values of bran and broken kernels contained in such rice and deducting an estimated cost of milling rough rice.

8. The prevailing world market price, rough rice basis, will be adjusted to a whole kernel loan rate basis by deducting the estimated domestic market value of broken kernels contained in such rice and dividing the resulting value by the estimated national average quantity of milled whole kernels produced in milling 100 pounds of rough rice.

The prevailing world market price adjusted to U.S. quality and location, loan rate basis, shall be announced, to the extent practicable, on or after 3 p.m. Eastern time each Friday beginning April 11, 1986, continuing through the last Friday of July 1991, but may be announced more frequently, as determined by the secretary of agriculture. In the event that Friday is a non-workday, the determination will be announced the next workday. The effective period of the announced prices will be specified in each announcement.

Details of the proposals will be published in the March 21, Federal Register. The public is invited to submit written comments on the proposed procedures for determining and announcing the prevailing world market price for rice. Comments must be received no later than April 7 to be assured of consideration.

Submit comments to: Howard C. Williams, Director, Commodity Analysis Division, USDA-ASCS, Room 3741 South Building, P.O. Box 2415, Washington, D.C. 20013. The comments will be available for public inspection in Room 3740 during regular business hours.

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USDA ANNOUNCES 1986 FARM PROGRAM CHANGES

WASHINGTON, March 20—Secretary of Agriculture Richard E. Lyng today announced several changes in the 1986 upland cotton, feed grain, rice and wheat programs.

The announcement followed the signing by President Ronald Reagan of The Food Security Improvements Act of 1986 which requires the secretary of agriculture to make certain farm program changes.

— The act authorizes additional payments in the form of commodity certificates to be made to producers whose 1986 farm program payment yield for a crop is reduced more than 3 percent below the 1985 program payment yield.

— Under the new act, the secretary announced that producers will not be eligible for payments under the 1986 commodity programs with respect to any non-program crops planted on the underplanted acreage. (This is referred to as the 50/92 provision of the 1985 act.). However, a producer who planted a non-program crop on the underplanted acreage before Feb. 26, 1986, or who entered into a contract to plant a non-program crop on the underplanted acreage before that date, would be eligible to earn a deficiency payment with respect to this acreage.

The secretary shall permit, at the request of State Agricultural Stabilization and Conservation committees, subject to such terms and conditions as the secretary may prescribe, the underplanted acreage in such state to be devoted to haying and grazing, unless the secretary determines that haying and grazing would have an adverse economic impact.

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U.S., WEST GERMANY TO CONTINUE COOPERATION ON ACID RAIN, AGRICULTURAL SCIENCE

WASHINGTON, March 21—The United States and the Federal Republic of Germany today agreed to continue their scientific and technical cooperation on acid rain and other topics related to agriculture, the U.S. Department of Agriculture announced today.

At a ceremony this morning at USDA headquarters, Joan S. Wallace, administrator of USDA's Office of International Cooperation and Development, and Guenther Wegge, West Germany's Deputy Chief of Coordination and Economic Surveillance Division, Federal Ministry of Food, Agriculture and Forestry, exchanged letters extending the two countries' continued cooperation under the Agreement on Agricultural Science and Technology.

"We are pledged to continue our two nations' cooperative efforts at least through June 1, 1991," said Wallace. "We will continue to exchange teams of specialists and carry on long-term collaborative agricultural research, short-term visits, and jointly organized international symposia. These cooperative efforts not only foster better understanding of problems common to both the United States and West Germany, but also save both nations research time and funds."

Wallace said joint efforts between the United States and West Germany on acid rain has led to significant progress in understanding this environmental problem.

"The success of our collaborative efforts on acid rain is an effective model of what can be achieved through bilateral cooperation," said Wallace.

New exchanges planned for 1986 include controlling babesiosis, a tick-transmitted disease that threatens horses and cattle; improving forest biotechnology; understanding the basic biochemistry of grains; and designing specialized laboratory test chambers for studying atmospheric deposition.

Other ongoing research projects include testing lactic acid bacteria strains in meat, genetically manipulating varieties of potatoes to make them more resistant to disease, and studying the seriology of strawberry crinkle virus.

These projects of bilateral scientific collaboration with West Germany are coordinated by USDA's Office of International Cooperation and Development, Scienctific and Technical Exchange Division. For more information contact Martha Steinbock, USDA/OICD/STE, 14th and Independence Avenue, S.W., Room 3132-AUD, Washington, D.C. 20250, (202) 382-8006.

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EGYPT ELIGIBLE FOR FROZEN POULTRY UNDER THE EXPORT ENHANCEMENT PROGRAM

WASHINGTON, March 21—Secretary of Agriculture Richard E. Lyng today announced an additional frozen poultry offer to Egypt under the U.S. Department of Agriculture's Export Enhancement Program.

Lyng said the offer will give U.S. exporters the opportunity to sell an additional 15,000 tons of frozen poultry to Egypt. The sales will be subsidized with corn and soybeans from the Commodity Credit Corporation's inventory. The subsidy will enable U.S. exporters to compete at commercial prices in the Egyptian market in response to future tenders for frozen poultry.

Last November, an offer was made to Egypt for 8,000 tons of frozen poultry. A sale of 8,000 tons of frozen poultry was made against this offer on Jan. 2, 1986.

For futher information call William Randolph, (202) 382-9254, or Larry McElvain, (202) 447-6225.

CLARIFICATION ON FARM PROGRAM DETAILS ANNOUNCED BY USDA

WASHINGTON, Mar. 24—The U.S. Department of Agriculture today clarified some details of the 1986 upland cotton, feed grain, rice and wheat programs.

Details announced by Under Secretary of Agriculture Daniel G. Amstutz include:

— The Food Security Improvements Act of 1986 authorizes additional compensation to be made available in the form of commodity certificates to producers whose 1986 farm program payment yield for a crop is reduced more than 3 percent below the 1985 program payment yield. When calculating program payments, the same yield will be used for both deficiency and diverson payments when appropriate.

— The Secretary has determined that when requested by the state Agricultural Stabiliation and Conservation committee, haying and grazing will be permitted throughout the year on any eligible acreage under the 50/92 provision for all program crops and wheat and feed grain Acreage Conservation Reserve (ACR). Haying and

grazing will also be permitted on any acreage designated as ACR under the upland cotton and rice programs except during any 5 consecutive months as requested by the state ASC committee.

USDA BEGINS HELPING STRICKEN DAIRY FARMERS IN 3-STATE AREA

WASHINGTON, March 21—Secretary of Agriculture Richard E. Lyng said today the U.S. Department of Agriculture's credit programs will move quickly as a step to help farmers facing substantial losses because their dairy herds were fed pesticide-contaminated grain.

The Farmers Home Administration will make loans to its dairy-farm borrowers in Arkansas, Oklahoma and Missouri so operators can buy feed and, in some cases, replace dairy cattle that must be sold or destroyed, Lyng said. FmHA will also increase its loan guarantee program available to agricultural lenders in the affected areas.

"To help these distressed dairy farmers, we have asked FmHA to take these initiatives," said Lyng. "And we are instructing FmHA offices in Arkansas, Oklahoma and Missouri to be prepared to work overtime, if necessary, to help dairy farmers meet this emergency."

"The emergency dairy contamination task force appointed to investigate conditions associated with the heptachlor-contamination problem in Arkansas, Oklahoma and Missouri has reported the seriousness of the situation," Lyng said. "While we are exploring an overall response to the economic peril this contamination incident has caused dairy farmers whose herds are quarantined, this interim action is necessary."

The task force reported that producers are requesting indemnity payments from the federal government. USDA officials are working on the indemnity issue and related questions.

A recommendation from the task force was to assist dairy producers with their need to buy feed for their herds. With their loss of income from milk production, many producers are unable to afford feed or to obtain credit from their traditional lenders for this purpose.

Dairy farmers seeking financial help should contact their county Farmers Home Administration office.

USDA ANNOUNCES OPTIONAL 5 PERCENT PAID DIVERSION FOR WINTER WHEAT PRODUCERS

WASHINGTON, March 21—Secretary of Agriculture Richard E. Lyng today announced winter wheat producers will be offered an optional 5 percent paid land diversion for their 1986 crop.

Under this new program provision, winter wheat producers will have the option of diverting from production 5 percent of their wheat acreage base.

Producers will still be allowed the current option of diverting 10 percent of their base. The payment rate for diverting acreage will remain $2.00 per bushel.

Lyng said the action was taken to provide winter wheat producers greater flexibility in participating in the 1986 wheat program, and that the action will assist in adjusting total national wheat acreage to a more desirable level.

USDA REGULATES ADDITIONAL AREAS FOR PINK BOLLWORM

WASHINGTON, March 24—Parts of eight Arkansas and Mississippi counties tomorrow will be placed under federal regulation to control pink bollworm, one of the most destructive and widespread pests of cotton in the world, a U.S. Department of Agriculture official announced today.

"We regulate certain areas where the pink bollworm is known to exist to restrict the movement of articles that could spread this pest," said Bert W. Hawkins, administrator of USDA's Animal and Plant Health Inspection Service.

New areas falling under regulation for pink bollworm are parts of Chicot, Drew, Jefferson, Monroe and Phillips Counties in Arkansas and Bolivar County in Mississippi; these counties have not been regulated previously. Additional parts of Desha County in Arkansas and Washington County in Mississippi will now be regulated; portions of these counties have already been placed under pink bollworm regulation.

Hawkins said the pink bollworm occurs throughout most western cotton-producing states. Regulated areas include all or parts of Arizona, Arkansas, California, Louisiana, Mississippi, Nevada, New Mexico, Oklahoma and Texas.

"The new regulated areas in Arkansas and Mississippi will be designated as suppressive areas, which means that these are areas where eradication is undertaken as the objective," said Hawkins. "As with all the regulated areas, certain items will not be permitted to move interstate from these areas unless treated, if necessary, and certified free of pink bollworm. Items requiring treatment and certification include cottonseed, cotton lint and linters, used cotton bagging and used harvesting equipment."

In a related action, USDA will redesignate Caddo Parish, Louisiana, from a suppressive to a generally infested area.

These actions take effect upon publication in the Federal Register on March 25. Written comments may be sent, until May 27, to Thomas O. Gessel, Director, Regulatory Coordination Staff, USDA, APHIS, Room 728 Federal Bldg., 6505 Belcrest Rd., Hyattsville, Md. 20782. Comments should refer to Docket Number 86-305.

USDA EXECUTIVE WINS PRESIDENTIAL MANAGEMENT AWARD

WASHINGTON, Mar. 24—Virgil L. Conrad, deputy administrator of the U.S. Department of Agriculture's food stamp program, has been presented the Presidential Management Improvement Award. Vice President George Bush presented 19 awards at the Office of Personnel Management auditorium on March 24. Conrad was the only awardee from USDA.

OPM Director Constance Horner said, "Mr. Conrad's perserverance and dedication has led to a vast reduction in fraud, waste and abuse in the food stamp program. His efforts resulted in savings to the government of nearly $19 million."

Conrad was appointed to USDA's Food and Nutrition Service as deputy administrator of the food stamp program in Washington in August 1982. Before coming to FNS, he was commissioner of the state social services department in South Carolina.

Conrad played a key role in the development of "Operation Awareness," a joint effort of federal, state and local governments to improve the fiscal integrity and image of the food stamp program. Operation Awareness functions primarily as a communication network through which managerial approaches and techniques proven to be effective in reducing food stamp fraud, waste and abuse are shared among all states.

USDA PROPOSES TO AMEND REGULATIONS FOR LICENSING GARBAGE-TREATMENT FACILITIES

WASHINGTON, March 25—The U.S. Department of Agriculture has proposed to cancel licenses of inactive facilities for treating garbage fed to swine so inspection efforts can be concentrated on active facilities.

Garbage fed to swine must be treated at specified temperatures to prevent transmission of diseases. USDA inspects facilities that treat such garbage to ensure compliance with regulations.

The proposal would require cancellation of licenses issued to operators of swine garbage-treatment facilities that have not treated garbage for 3 consecutive months.

"Current regulations do not provide for cancellation of an operator's license after a facility has stopped treating garbage," said Bert W. Hawkins, administrator of USDA's Animal and Plant Health Inspection Service.

"This proposal would allow us to make more efficient use of our inspection resources by focusing those resources on active treatment facilities."

Before deciding to cancel a license, a USDA veterinarian would notify the licensee in writing and explain the reasons for the action. If desired, licensees could contest the cancellation at a hearing. Under the proposal, a licensee whose license was canceled because the facility ceased to treat garbage would be able to reapply at any time for a new license.

The proposed changes would also allow facility operators to voluntarily request cancellation of a license.

This proposal was published in the March 20 Federal Register. Comments on the proposal may be submitted until May 19, 1986, to Thomas O. Gessel, Director, Regulatory Coordination Staff, APHIS, USDA, Room 728, Federal Bldg., Hyattsville, Md. 20782. Comments should refer to docket 85-017.

USDA ANNOUNCES INTENT TO REQUIRE LIMITED CROSS COMPLIANCE FOR 1987 CROPS

WASHINGTON, March 25—Secretary of Agriculture Richard E. Lyng today announced his intention to propose that limited cross compliance be required for 1987 price-support and production-

adjustment programs for wheat, feed grains, upland cotton and rice. Lyng also said he intends to propose that producers of these crops not be given the option of adjusting their crop acreage bases by up to 10 percent of the farm acreage base.

Limited cross compliance would require that, as a condition of eligibility for loans, purchases or payments for a wheat, feed-grain, upland cotton or rice crops, the acreage planted for harvest on a farm in other commodities, including extra-long staple cotton, may not exceed the crop acreage base of such commodities. The 1987 programs will be more effective in achieving adjustments in supplies of the affected crops with limited cross compliance in effect, Lyng said.

Lyng said a notice requesting comments on these issues would be published at a later date in the Federal Register. Other 1987-crop program provisions will be announced as early as possible, he said.

USDA ANNOUNCES INITIAL RESULTS OF HEPTACHLOR TESTING

WASHINGTON, March 25—The U.S. Department of Agriculture today announced initial tests of livestock for heptachlor residues indicate that six of 196 samples contain the pesticide. Another 125 samples are still being analyzed.

USDA initiated testing after the Food and Drug Administration detected heptachlor in dairy herds in Arkansas, Missouri and Oklahoma.

"Based on the information to date, there appears to be no widespread problem with heptachlor contamination of the meat supply," said Donald L. Houston, administrator of USDA's Food Safety and Inspection Service. "We will continue sampling dairy cattle, beef cattle and swine as well as other food animals to monitor heptachlor content."

Of the six samples, three are from dairy cattle, two are from beef cattle and one is from swine.

"We are taking immediate action to trace back the positive animals to the farms where they originated," said Houston. "If we are able to identify the herds from which those animals came, we will initiate 'hold and test' procedures at the slaughterhouse."

Such procedures are already in effect for dairy cattle from affected herds that are presented for slaughter.

USDA is testing products produced for the school lunch program by five processors receiving raw meat from 18 plants in Arkansas, Missouri, Oklahoma and Kansas. School districts are being notified to refrain from using the meat until further notice.

According to Houston, consumers who eat a varied diet are not likely to receive excessive amounts of the pesticide. He advised producers with contaminated herds to take extra precautions, since their exposure to the pesticide is likely to be greater. Producers with contaminated herds should not use their meat or dairy products for home consumption, he said.

Heptachlor was banned for most agricultural uses in 1978, after it was found to be a potential carcinogen.

The Food Safety and Inspection Service is responsible for inspecting meat and poultry products to ensure they are safe, wholesome and accurately labeled

USDA EXTENDS SIGNUP PERIOD FOR TWO WEEKS

WASHINGTON, Mar. 26—Signup for the 1986 wheat, feed grain, cotton and rice programs will be extended for two weeks through April 25, Secretary of Agriculture Richard E. Lyng announced today.

The original cutoff date was April 11, but Lyng said the extension was being made to give producers more time to consider recent program changes.

INTEREST RATES ON FmHA PROGRAMS LOWERED

WASHINGTON, March 26—Interest rates will be lowered on most loan programs of the U. S. Department of Agriculture's Farmers Home Administration beginning April 1, according to Vance L. Clark, agency Administrator.

In farmer programs, the rates on operating loans will drop from 10.25 percent to 9.50 percent. The rates will go down from 10.75 percent to 10.25 percent on farm ownership, soil and water, and Indian land acquisition loans.

The rate for limited resource loans will go from 7.25 percent to 6.50 percent for operating purposes and from 5.25 percent to 5 percent for ownership purposes.

In housing programs, the interest rate will be reduced from 10.625 percent to 9.50 percent for single family housing, rural rental housing and rural housing site loans.

For community facility and water and waste disposal loans, the market interest rate will be 7.125 percent, down from 8.375 percent, and the intermediate rate will be 6.125 percent, down from 6.625 percent. The poverty line rate remains at 5 percent. These interest rates are calculated quarterly, based on the current average cost of municipal bonds.

Clark said the new rates reflect a decrease in the cost of money to the government and they should be beneficial to rural residents and especially farmers who depend heavily on credit.